INSIDE: FREE TRADE CLEARS A CRITICAL HURDLE

# Maclean's

MAY 5, 1986

CANADA'S WEEKLY NEWSMAGAZINE

$1.75

# THATCHER'S CHALLENGE

Paying the price of the Libyan raid

Under attack at home and abroad

British Prime Minister Margaret Hilda Thatcher

0 55113 70001 18

du MAURIER
AND
du MAURIER
LIGHT
REGULAR AND KING SIZE

du MAURIER
du MAURIER LIGHT

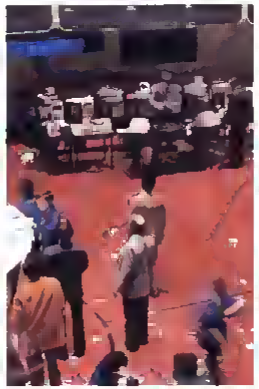
For people with a taste for something better.

WARNING: Health and Welfare Canada advises that danger to health increases with amount smoked—avoid inhaling. Av. per cigarette: du Maurier Light: Reg. 9 mg. "tar", 0.8 mg nicotine. King Size: 11 mg. "tar", 1.0 mg nicotine. du Maurier: Reg. 13 mg. "tar", 1.0 mg nicotine, King Size: 16 mg. "tar", 1.2 mg nicotine.

CANADA'S WEEKLY NEWSMAGAZINE

# Maclean's

MAY 5, 1986 VOL. 99 NO. 18



## Controlling the Caisse

Robert Bourassa's Liberals may be planning to curb the power of Canada's largest pension fund, the $25.2-billion Caisse de dépôt et placement du Québec. —*Page 40*

## Paradise after the flood

The discovery of trendy mineral water on a tiny Caribbean island brings on an invasion by Americans, French and Cubans in the comedy film *Water*. —*Page 52*

## COVER

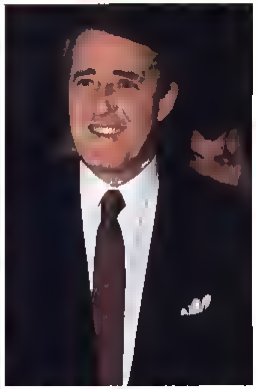
### Thatcher at bay

As Margaret Thatcher begins her eighth year as Britain's prime minister, a series of recent tactical mistakes have raised doubts about the Iron Lady's leadership. And even some members of her Conservative party are questioning whether a leader intent on remaking British society in her own stern and self-reliant image has run her course. —*Page 24*

COVER PHOTO BY JUDAH PASSOW/I.B. PICTURES

## CONTENTS


| | |
|---|---|
| Art | 50 |
| Behavior | 60 |
| Business/Economy | 40 |
| Canada | 10 |
| Cohen | 9 |
| Cover/World | 24 |
| Editorial | 2 |
| Festivals | 70 |
| Films | 52 |
| Fotheringham | 72 |
| Letters | 4 |
| Medicine | 54 |
| Newman | 46 |
| Passages | 4 |
| People | 53 |
| Religion | 56 |
| Sexes | 58 |

## A clouded victory on trade

The U.S. Senate finance committee finally approved trade negotiations with Canada, but the narrowness of the vote cast a shadow over the future of the talks. —*Page 10*

## Making deals over breakfast

Power breakfasts became fashionable in New York City 10 years ago and now they are as vital to business success as computer printouts and cordless telephones. —*Page 60*

# A new path with risks

When a United States Senate committee last week approved what is called a fast-track negotiating arrangement for free trade, it opened the way for a far-reaching accord between the United States and Canada. A new full-scale commercial agreement between the two countries may redraw forever the boundaries within which Canadians define themselves, their futures and attitudes toward their giant neighbor. The talks, when they begin, will represent the most momentous foreign policy initiative that Ottawa has undertaken since the end of the Second World War. And if skillfully handled, a broad free trade agreement will also go a long way toward securing Canada's economic well-being for the remainder of its second century. The completion of a free trade accord would also probably secure Prime Minister Brian Mulroney's place in history. But the negotiations also carry risks.

Many industries, from logging to fishing, will seek special concessions—some of them legitimate—from the federal negotiators. The so-called cultural industries are asking even more. They are requesting Ottawa to refuse to include them in the talks. *Maclean's* has a vested interest in this regard because its owner, Maclean Hunter Ltd., is one of the country's largest communications companies and benefits from the tax and other advantages that currently provide a critical support network for Canadian culture. But Maclean Hunter is one of hundreds of firms, broadcasting outlets, theatres and arts groups that provide the nation's distinct cultural mosaic. If that fabric is stripped away or even weakened, there would be little of substance to differentiate Canada from California. Cultural independence is, in fact, our national security as surely as strong military and intelligence forces form the basis of America's. And one area that the United States is certain to refuse to discuss is national security. Ottawa should ask no less.

Kevin Doyle


**Maclean's May 5, 1986**

***Editor***
Kevin Doyle

***Managing Editor*** Robert Lewis
***Assistant Managing Editors*** Carl Mollins, Alan Walker
***Art Director*** Nirk Burnett
***Senior Contributing Editor*** Peter C. Newman
***Senior Editors*** Angela Ferreira, Robert Marshall, David North
***National Editor*** Michael Posner
***Foreign Editor*** Glen Allen
***Departments Editor*** Malcolm Gray
***Entertainment Editor*** Val Ross
***Business Editor*** Patricia Best
***Front Section Editor*** Jared Mitchell
***Editorial Controller*** Valerie Chrysdale
***Senior Writers*** John Barber, Rae Corelli, Mary Janigan, Brian D. Johnson, Bob Levin, Mark Nichols, Hal Quinn
***Associate Editors*** Marcus Gee, Patricia Hinchey, Foster Kepselleru, Mary McIver, Michael Salter, Kevin Scanlon, Ann Walmsley
***Staff Writers*** Sherri Aikenhead, Ann Finlayson
***Assistant Editors*** Cindy Barrett, Andrew Bielski, Janet Enright, Nicholas Jennings, Anne Stacey, Theresa Tedesco, Nora Underwood
***Operations Manager*** Ken Asquith
***Bureaux***
***Ottawa*** Paul Gessell (Bureau Chief)
Mark Clark, Hilary Mackenzie, Ken MacQueen, Michael Rose, Karen Nicholson (Editorial Assistant)
***Halifax*** Chris Wood
***Montreal*** Anthony Wilson-Smith (Quebec Editor), Bruce Wallace
***Vancouver*** Jann O'Hara
***Washington*** Marci McDonald (Chief), Ian Austen
***Europe*** Ross Laver (London)
***Chief of Research*** Linda Bailey
***Chief Librarian*** Roberta Grant
Ruth Munson (Librarian), Sandra McGregor (Library Technician), Robin Sels (Library Clerk)
***Chief Copy Editor*** Tycho Munson
***Copy Editors*** Claire Fraser, Stephanie Ortenzi
***News Desk*** Doreen Doherty
***Production Superintendent*** Beverley Kagayama
***Production Assistant*** Julie Crude
***Video Compositors*** Ruth Atherley, Susan Hannaford, Monika Hulas, Heather Wakeling
***Correspondents***
***Winnipeg*** Doug Smith, ***Whitehorse*** Jim Butler, ***Regina*** Dale Eisler, ***Fredericton*** Kathryn Harley, ***Charlottetown*** Barbara MacAndrew, ***St. John's*** Pat Roche, ***Alkalon*** Lynne Doucet, ***Auckland*** John Malinden, ***Bangkok*** Paul Quinn-Judge, ***Brussels*** Peter Lewis, ***Buenos Aires*** Douglas Tweedale, ***Caracas*** Merrill Collett, ***Dublin*** Brendan Keenan, ***Geneva*** Norton Bollag, ***Islamabad*** Alex Bradie, ***Jerusalem*** David Bernstein, ***Johannesburg*** Allister Sparks, ***London*** Ian Mather, Philip Winslow, ***Madrid*** David Baird, Paul Ellman, ***Manila*** Lin Neumann, ***Mexico City*** Ronald Buchanan, Eric Hirmevitch, ***Nairobi*** Mary Anne Fitzgerald, ***New Delhi*** Eric Silver, ***Nicosia*** Jim Muir, ***Paris*** Brigid Jensen, Anne Tremblay, ***Peking*** Wendy Lin, ***Rome*** Sari Gilbert, ***San Francisco*** David Kline, ***Santiago*** Mary Helen Spooner, ***Sao Paulo*** Richard House, ***Sydney*** Philip Greenfield, ***Tokyo*** Peter McGill, ***Vienna*** Anton Koenig, ***Zug*** Mastarman
***Contributing Editors*** Mark Abley, Barbara Amiel, John Bemrose, Dan Burke, Anne Johnston, William Lowther, Robert Miller, Eric Ohlendorf, Lawrence O'Toole
***Researcher-Reporters***
Sharon Doyle Driedger (Senior Researcher), Julia Bennett, Mary Brennan, Cynthia Brouse, Augusta Dwyer, Peter Gilfen, Charles Rowland
***Art Department***
Gisella Sabatini, John Stacey (Assistant Art Directors), Tom Mets (Design Co-ordinator), Elisabeth Sonna (Senior Designer), Linda Irvin (Designer)
***Chief Staff Photographer*** Brian Willer
***Photo Editor*** Marijke Leenen
Diane Baron, Hilary Forrest, Maxine McDowall, Tom Snidden (Assistant Photo Editors)
***Assistant to the Editor*** Gail Taylor
***Assistant to the Managing Editor*** Frances McNeely
***Assistant to the Controller*** Marianne Pille
***Editorial Assistants*** Sherry Barrett, Patrizia DeFulvis
***Copy Clerk*** Meryl McKay

***Publisher*** James M. Miller

***General Manager*** Paul C. Jones
***Circulation Director*** Howard J. Adams
***Director of Advertising Sales*** Donald A. Ladkin
***Promotion Manager*** Shelley M. Black
***Research Manager*** Sharon A. Murray
***Advertising Production Manager*** Vernon Bertram
***Customer Service Supervisor*** Mavis Jullier
Maclean's is published by Maclean Hunter Limited
***Chairman and Chief Executive Officer*** Donald G. Campbell
***President*** Ronald W. Osborne
***Vice-President, Magazine Division*** Bruce L. Drake
***Vice-President, Printing Division*** Matthew R. Fyfe

MACLEAN'S established 1905 is published and printed weekly by Maclean Hunter Limited, Maclean Hunter Building, 777 Bay Street, Toronto, Ont., M5W 1A7. (Maclean's is available on 35mm microfilm and microfiche, 416-221-1671.) Montreal office: 1001 de Maisonneuve ouest, Montreal H3A 3E1. Vancouver office: Ste. 700-1111 Melville St., Vancouver V6E 3V6. Contents Copyright © 1986 by Maclean Hunter, may not be reprinted without permission. Printed in Canada. Canadian second class mail registration number 1360. Second class postage paid at Buffalo, N.Y., for U.S. subscribers. U.S. Postmaster: send form 3579 to Maclean's, P.O. Box 4541, Buffalo, N.Y. 14240. Maclean's ISSN 0024-9262. Subscription prices: Canada, 1 year $39.00; U.S.A., 1 year $54.00; All other countries, 1 year $80.00. Change of Address: Send current address label, new address and date of move to: Maclean's, P.O. Box 1600, Postal Station A, Toronto M5W 2S8. Allow eight weeks.

URGENT SUBSCRIPTION PROBLEMS
Toronto 596-5593, all other areas (toll free) 1-800-268-9067

*A Maclean Hunter publication*



COROLLA
TOYOTA

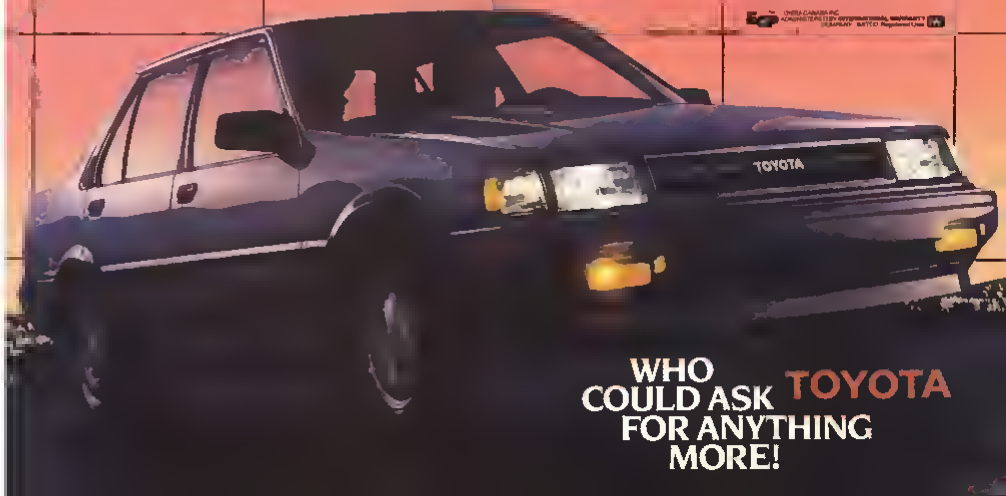
COUNT ON IT.
1986 TOYOTA COROLLA.
IN CANADA IT'S THE ONE TO BEAT.

Another nice thing about Corolla. It ages well. So well, in fact, that for the second time in three years the Canadian Automobile Association has awarded Corolla the prestigious "Used Car Performance Award." Based on durability and service, Toyota is the only company to win the CAA award and Corolla has won it twice.

Toyota Corolla. Front-wheel drive for traction and handling. And confidence. Bad weather will never push you around again.

Toyota Corolla is covered by a 2 year/40 000 km limited powertrain warranty, plus you can purchase **Extra Care Protection**™ for additional limited coverage for up to 5 years/100 000 km.

If you're in the market for a dependable car, count on Toyota Corolla. Nobody's beat us yet.



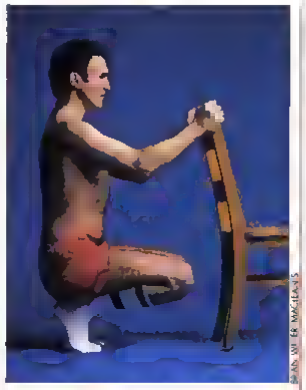

WHO COULD ASK TOYOTA FOR ANYTHING MORE!

# Back pain relief

The timing of your story "An epidemic of back pain" (Cover, April 7) was perfect. After seven months of enduring mild to severe leg pain, on March 24 I underwent a discoidectomy, was released from the hospital on April 2 and received my issue of *Maclean's* on April 3. Now completely pain free, I am recovering rapidly and will return to work soon. I would urge back pain sufferers, when all else fails, not to be afraid of surgery.
—JOE A. RIVET
*Ottawa*

Just to encourage anyone who has osteoarthritis and has been prescribed exercises. I had such a diagnosis in my early 40s, was given exercises to do and have done them ever since. I am now 83 years old and am still free of back pain. I believe that people don't persevere long enough. It was three months before I felt any benefit and a year before I felt the full benefit. The trouble is that the program is terribly boring. It was a bulging tummy that kept me going.
—KATHLEEN REID
*Oakville, Ont.*

I feel it is necessary to point out that less than 10 per cent of all back pain involves a ruptured or "slipped" intervertebral disc. Dr. Hamilton Hall and his medical colleagues (surgeons) cannot afford relief to the remaining 90 per cent. Chiropractic spinal manipulative therapy in conjunction with exercise is the treatment of the time.
—JAMES A. WICKSTROM, DC
*Prince George, B.C.*



Back exercise: long-term benefits

In writing about the kinds of health professions that treat back pain, you neglected to mention Efim Svirsky's proper title, referring to him as a "practitioner" of craniosacral technique. Svirsky is an RMT, which is a registered massage therapist. By leaving out Svirsky's proper designation, your magazine completely obliterated my profession from its rightful place in the health care scene.
—DAVID DRESSLER, BA, RMT,
*Victoria*

Considering your conclusion that exercise is one of the best ways to prevent and control back pain, it is a shame that no mention was made of the Chinese art of Tai Chi, a gentle stretching exercise that works to reduce tension throughout the body. Many doctors and chiropractors are beginning to recommend Tai Chi as a therapeutic way to increase mobility, reduce pain and improve the condition of many tension-related ailments, including back problems.
—FRANK HERR,
*Director,*
*Taoist Tai Chi Society of Canada,*
*Toronto*

## Antigovernment drivel

I am always pleased with George Bain's Media Watch. His piece "Mulroney and the media hounds" (March 24) was particularly good. It was most enlightening to learn that out of 118 national journalists, only four per cent considered themselves right of centre. This goes a long way in explaining some of the antigovernment drivel emanating from the press gallery.
—T. W. WATSON,
*Charlottetown*

*Letters are edited and may be condensed. Writers should supply name, address and telephone number. Mail correspondence to: Letters to the Editor, Maclean's magazine, Maclean Hunter Bldg., 777 Bay St., Toronto, Ont. M5W 1A7.*

MOVING? CALL TOLL FREE
1-800-268-9057 9 a.m. - 5 p.m. Eastern Time
596-5523 in Toronto
OR COMPLETE THIS FORM AND MAIL AT LEAST 6 WEEKS BEFORE YOU MOVE
MOVING DATE
OLD ADDRESS
NAME
CITY
PROVINCE
POSTAL CODE
NEW ADDRESS
CITY
PROVINCE
POSTAL CODE
Maclean's
Maclean's Subscription Dept. Box 1506, Postal Station A, Toronto, Ontario M5W 2E6



**DIED:** **Wallis Warfield Simpson**, Duchess of Windsor, 89, the Baltimore divorcée who in 1936 changed the course of British history when **King Edward VIII**, who died in 1972, gave up the throne to marry her, of bronchial pneumonia after several years as an invalid and recluse, at her home in Bois de Boulogne on the outskirts of Paris. After **King George V** died in January, 1936, Edward succeeded him but occupied the throne for only 10 months, announcing on Dec. 11 that he was abdicating the throne for "the woman I love." He took the title **Duke of Windsor** and married Simpson in 1937. They exiled themselves to France, embittered because the royal family refused to allow the duchess the courtesy prefix "royal highness."

**DIED:** Innovative Vienna-born film director **Otto Preminger**, 79, who produced and directed such Hollywood classics as *Laura* (1944), *Forever Amber* (1947), *Anatomy of a Murder* (1959) and *Advise and Consent* (1961), but who never won an Oscar, of cancer, in New York.

**DIED:** **Richard (Dick) Moores**, 77, author and artist of the syndicated comic strip *Gasoline Alley*, whose tales of Skeezix, Walt, Nina, Slim and Clovia appeared in 180 daily newspapers and 125 Sunday papers, in Fairview, N.C.

**APPOINTED:** **Ronald Osborne**, 39, president of Maclean Hunter, as chief executive officer of the communications company which owns *Maclean's* and numerous other periodicals and newspapers, as well as television, radio and cable TV outlets. Osborne joined *Maclean's* in 1981 as vice-president, finance and chief financial officer. He succeeds **Donald Campbell**, 60, who remains as chairman of the board. Campbell joined the company in 1957 as comptroller and became chairman and chief executive officer in 1976. Since he joined Maclean Hunter it has grown from a company with annual sales of just over $19 million and profits of $515,000 to one with revenues of $973 million and profits of $59.4 million in 1985.

**AWARDED:** The annual Reuben Award, the U.S. National Cartoonists Society's most prestigious prize, to Corbeil, Ont., cartoonist **Lynn Johnston**, 38. Johnston, the first woman to win the Reuben, draws the strip *For Better or For Worse* which pokes gentle fun at family life.

**DIED:** Prolific songwriter **Harold Arlen**, 81, the composer of such upbeat tunes as *Get Happy* and *I Love a Parade*, the wistful *Over the Rainbow* and *It's Only a Paper Moon* and hundreds of other popular classics, in New York.

Global News.
Informed,
entertaining,
television.

The News At Noon.
With John Dawe,
Mike Anscombe
and Bob McAdorey.
Weekdays.

Global Television Network

CLOSE-UP: SHAWN O'SULLIVAN

# Boxing's Mr. Clean

In the sometimes seedy world of professional boxing, he enjoys the image of a "Mr Clean" At 23, Toronto's Shawn O'Sullivan has emerged from his first 11 professional fights as an undefeated champion and a charismatic sports star But according to his family, friends and increasing numbers of fans, success has not spoiled the personable son of an Irish immigrant. Although he has earned almost $500,000 from fights, advertising and personal appearances in the past 18 months, O'Sullivan still lives at home with his parents The young welterweight has celebrated his victories with ice cream instead of champagne, and often takes public transit downtown to his boxing club. Said Michael Trainer, O'Sullivan's business manager "The sport stinks, because of the people you have to deal with But after meeting Shawn, I'd be surprised if he wasn't honest, bright and articulate. What is shocking is to find someone like that participating in boxing"

O'Sullivan's nice-guy image has enhanced his transformation from a promising amateur boxer who won the silver medal at the 1984 Los Angeles Olympics into a recognizable—and marketable—professional sports star Some sports commentators have compared his personal visibility to that of hockey great Wayne Gretzky O'Sullivan has received numerous offers to endorse products and has already made commercials for a restaurant chain But even more important, his unbroken record of 11 wins—eight by knockouts—and no losses since turning professional in 1984 has made him a major potential contender for the world championship title in his welterweight class (136-147 lb )

MICHAEL COOKE

O'Sullivan: unspoiled by success

So far most of his fights have taken place in Canada, but Trainer plans to take him more often into the lucrative U S market after he has built a solid reputation Said Trainer "Shawn has proven to be very popular in Canada, and people in the United States are starting to take notice He isn't that 'skinny kid from Canada' anymore"

The son of a Toronto bus driver, O'Sullivan was the self-described "runt" of a close-knit Irish-Canadian family, smaller than his older brothers and "even smaller than my twin sister" When he was 16, his father, Michael, now 63, taught him the rudiments of boxing For Shawn, the initial attraction of the sport was to spend more time with his father He recalled recently, "Boxing with Dad gave me a chance to talk to him one on one"

O'Sullivan with Leonard in training preparing for the lucrative U S. boxing audience

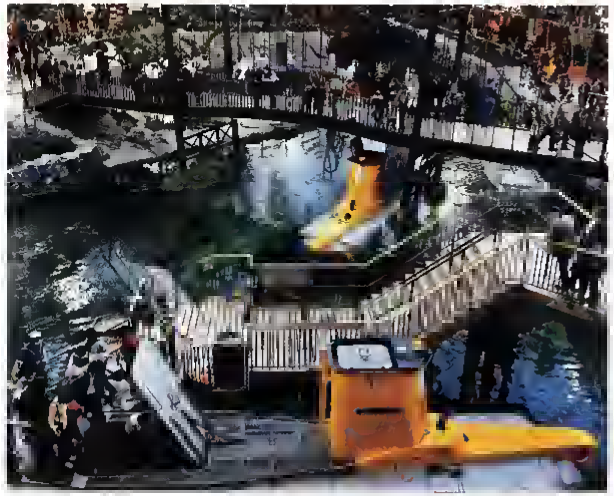
Together, they jogged in a ravine near their suburban Leaside home and sparred together The elder O'Sullivan recognized Shawn's potential and one Sunday evening in 1977 he decided to take him downtown to the Cabbagetown Youth Centre, a well-known local boxing club Said O'Sullivan "It was closed but Dad said, 'Now that you know how to get here, come back tomorrow and try it' I went by myself the next day" Ten months later O'Sullivan won the Canadian junior boxing championship

His personal coach and founder of the Cabbagetown Youth Club, Peter Wylie, helped to mold the young fighter into a champion. Under Wylie's tutelage, O'Sullivan lost only six of 100 fights between his first fight in October, 1977, and the 1984 Summer Olympics, aquiring the Canadian, North American, Commonwealth, World Championship and World Cup gold medals. But the Olympics proved a major disappointment for O'Sullivan, despite cinching the silver medal after a bout with American victor Frank Tate. Even now, the decision remains controversial. Said O'Sullivan: "There were only five people in the arena who didn't think I won the Olympic gold medal Unfortunately, those five were the judges."

Having risen almost to the pinnacle of amateur boxing, O'Sullivan drifted uncertainly after the Olympics. He recalled, "I'd wake up in the morning, tired, with nothing on my mind about what I wanted to do" Then, within weeks, he decided to become a professional He retained Wylie as his coach Wylie last year resigned from his job with the Metropolitan Toronto Police Force's bomb squad to devote himself full time both to O'Sullivan's career and the Cabbagetown club

The two began to search for a business manager to help with contracts, television rights and endorsements. In September, 1984, they settled on Trainer, whose experience at handling the


Where can you find Rockies, rodeos and a shopping complex with its own submarine fleet?



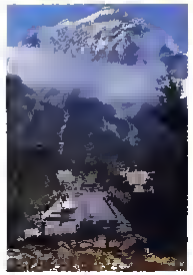
Submarines at West Edmonton Mall

Surprise! Shopping takes a surprising new twist in Alberta.

Come for a visit. And explore West Edmonton Mall, the world's largest entertainment and shopping complex. You'll find over 800 shops and services plus some surprising extras (like shopping wings with unique themes and an amusement park with a working submarine fleet).

If you think that's surprising, wait'll you see Alberta's spectacular Rockies. Or the rip-roaring Calgary Stampede, the biggest, brawniest wild west show on earth.

With so much to offer, it's no surprise Alberta was chosen to host the 1988 Winter Olympic Games. But why wait till then to discover Alberta's wonders? Come out and see us now. We're right on the way to Expo '86 in Vancouver. And we're full of surprises.



For more Alberta surprises, call Travel Alberta toll-free: 1-800-661-8888. Or write: Travel Alberta, Dept L, Box 2500, Edmonton, Alberta, T5J 2Z4.

CALGARY '88 Olympic Winter Games February 13-28, 1988

SURPRISE! it's Alberta

professional career of another former Olympic boxer, Sugar Ray Leonard, had impressed them. Leonard, also a welterweight, enjoyed a career free of the kinds of scandals that plague other boxing careers, including association with organized crime and rapacious managers. As well, he reaped the rewards of lucrative contracts for advertising and personal appearances. During the course of his eight-year career, Leonard reportedly made $45 million with Trainer's help.

Like O'Sullivan, Trainer did not fit the sport's traditional image of the corrupt and overspending manager. A former Silver Springs, Md.-based lawyer, Trainer entered the high-pressure world of fight promotion after he agreed to provide Leonard with legal advice. He broke new ground by allowing Leonard to promote his own fights, enabling the boxer to keep most of the proceeds for himself (after paying fixed fees to Trainer and his coach). In the past, most boxers had relied on specialized fight promoters who paid the boxers a small fee for fighting.

At the same time, O'Sullivan found solid support from his family. He lives in the basement of his parents' home, surrounded by mementoes of his amateur boxing career. His mother, Margaret, 62, who has appeared in one television commercial with him, often prepares his meals. Michael O'Sullivan, who retired from his job with the Toronto Transit Commission last year, often takes eight-kilometre runs with his champion son.

O'Sullivan remains in almost constant training to meet his increasingly challenging opponents. Before each pro bout, Leonard personally serves as his sparring partner. The former world professional champion is clearly impressed with O'Sullivan. Said Leonard: "The only thing Shawn has to worry about is himself. He has to be patient in the ring." Still, the adjustment from three-round amateur fights to the six-, eight- and 10-round professional ones has been difficult. For one thing, amateurs—but not professionals—wear singlets (undershirts) in the ring—attire which the modest O'Sullivan misses. "The biggest thing I had to adjust to," he said, "was getting in front of 5,000 people without a shirt on."

Boxing experts say that O'Sullivan's celebrity has given boxing a new respectability in Canada. O'Sullivan continues to rely on a combination of charm and confidence in his journey to international boxing stardom. Said O'Sullivan, "Throughout my career I have always been the champion, not the challenger. I am not afraid. No one is going to hurt me."

—HAL QUINN in Toronto

**FOLLOW-UP**

# The end of a tradition

For more than five years Toronto student Jory Gibson, 17, had been waking up at 6:00 a.m. to deliver the 70 copies of Toronto's *The Globe and Mail* newspaper left in three bundles at the foot of the driveway. Come rain or shine, Gibson then trudged more than six blocks with two heavy bags over his broad shoulders. Reflecting on his job, he said, "I have had some pretty bad days, but most of the time it's nice in the morning." But for Gibson, who has saved more than $5,000 from his earnings— and 379 other young *Globe* carriers— all that changed last February, when the newspaper's management informed them that adults would take over all their delivery routes by the end of April.

That decision, the final step in the *Globe*'s cost-cutting efforts, may well be the beginning of a trend. It was the first newspaper to conclude that adult carriers in motor vehicles could deliver more newspapers more efficiently and earlier than boys and girls on foot. Indeed, the number of young *Globe* carriers has dropped from 2,700 in 1984. And *Globe* circulation managers point out that in the past two years alone the switch has reduced the number of customer complaints by more than 75 per cent. Circulation manager Lorne Richmond said that the paper must be on doorsteps by 6 a.m. to remain competitive with its rivals. Explained Richmond: "There are curfew laws which say that children are not allowed out that early."

In 1983, when *The Toronto Star* instituted the morning edition, it turned exclusively to adults for delivery. Now, delivery trucks do not have to drop off nearly 1,000 bundles around the city for youths to deliver—as is the practice with the *Star*'s afternoon edition—because most adult carriers can pick the bundles up from central

**Across the miles with care... Tippet-Richardson**

We are one of North America's foremost moving companies with full service offices in virtually every centre— plus, regularly-scheduled services to most major points in Canada and the U.S.A.

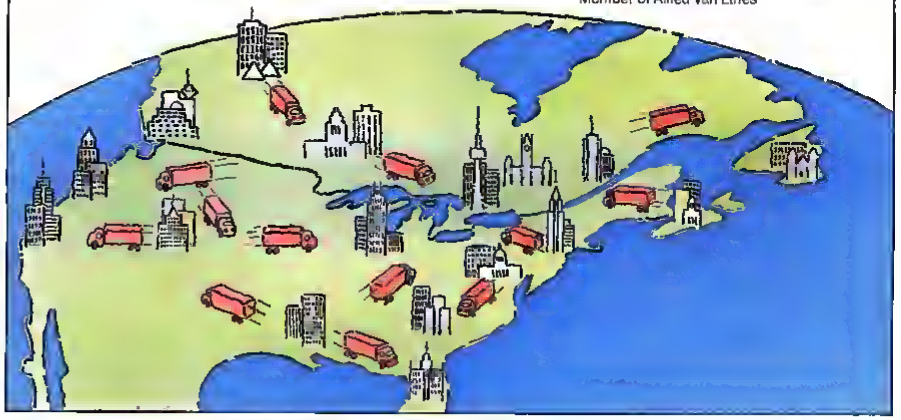
Tippet-Richardson's reputation has been built on almost 60 years of experience in providing the finest care for your valued possessions. Our commitment to service extends to every stage of your move.

We'll even visit you after the move to make sure that you have received the quality treatment you deserve. And, we're flexible... together, we'll design a moving program that fits your needs and budget.

Whether your next move is local, across the continent or overseas... go with Tippet-Richardson.

**Call us today at 1-800-268-6753**

TR **TIPPET-RICHARDSON LIMITED**
Member of Allied Van Lines



depots every day in their own vehicles

But other newspapers throughout the province—Canada's largest newspaper market—may be forced to follow the move to adults They are finding it increasingly difficult to attract young people Since the 1970s, said Barrie Woodley, director of circulation for *The London Free Press*, the number of students applying for delivery jobs has shrunk with the declining birth rate They are being replaced by unemployed adults who are willing to undertake the low-paying job—amounting to less than 60 cents per subscription per six-day week

Delivering newspapers has never been an easy job for children *Globe* carriers purchased their papers from the company, then resold them to customers at a profit of approximately seven cents each For his efforts, Gibson earned about $35 a week But when carriers were unable to make their deliveries, because of illness or vacations, they faced dismissal Said Gibson's mother, Marguerite "When the children got sick, the parents usually ended up delivering the papers."

But behind many success stories, there has often been a newspaper delivery job The late John Diefenbaker said that as a newspaper boy he once met then-prime minister Sir Wilfrid Laurier Toronto retailing giant Ed Mirvish, 71, delivered newspapers in his native Virginia for two cents apiece when he was seven years old Said Mirvish "It teaches you how to handle money, how to talk to people" But not everybody paid their paper boys with warm cookies and big tips at Christmastime—some did not like to pay at all Said lawyer and National Hockey League player agent, Alan Eagleson, who delivered newspapers during the 1940s "Some people would not open the door because they did not have the five or 10 cents for their paper"

Today's adult carrier is no less an entrepreneur than his youthful predecessor One of the *Star's* carriers, Shaneali A Alidina, 34, is an out-of-work bookkeeper who begins delivery of 142 newspapers throughout Toronto's north Leaside area every morning at 4 a m For that, he earns $270 a week Following his deliveries, he switches to a job as a courier during the day and a downtown parking lot attendant by night

Still, many carriers say they are sorry to lose a job that has traditionally been reserved for the very young Said Gibson "Young people do not know about banking because they don't have any money for the bank Now they are not going to get the chance"

—PAUL BERTON in Toronto

FINALLY,
A LUXURY CAR
THAT WON'T BREAK
THE BANK.

HYUNDAI STELLAR. LUXURY YOU CAN AFFORD.

Stellar is proof that a luxury car can be affordable.

Here is the epitome of the Hyundai philosophy *more car for the money.*

More car means more extras Five Michelin all-season, steel-belted radials Rear window defroster with timer Stereo cassette with 4 speakers (GSL) Reclining front bucket seats Side window demisters. Power remote dual outside mirrors (GSL) . . .

All standard. All included in Stellar's down-to-earth price.

To see this affordable luxury car, visit your nearby Hyundai dealer today You'll be pleased.

You can bank on that.

STELLAR BRINGS THE COST OF LUXURY DOWN TO EARTH

HYUNDAI

**Q&A: JOHN CROSBIE**

# An activist in justice

*Ever since John Crosbie lost the race for the Conservative leadership to Brian Mulroney at the 1983 Tory leadership convention, observers have watched—in vain—for symptoms of disloyalty. Although the witty Newfoundland MP has been outspoken on a variety of issues which have embarrassed the Government—such as his criticism of the handling by the Prime Minister's Office of the Tunagate scandal—critics have been impressed by Crosbie's legislative record. He has successfully shepherded important bills through the Commons, including those dealing with tougher controls on prostitution and drunk driving as well as reforms to the Divorce Act. Recently, he surprised many of his colleagues by announcing plans to liberalize the treatment of homosexuals within the Armed Forces and the RCMP. Many of his reforms have been strongly influenced by the Charter of Rights and Freedoms. Maclean's Ottawa bureau chief Paul Gessell spoke with Crosbie in his parliamentary office in conjunction with the fourth anniversary of the proclamation of the Charter on April 17.*

**Maclean's:** *Has the charter taken authority away from Parliament and given it to the courts as many critics feared?*

**Crosbie:** The question is whether you believe in the supremacy of Parliament or not. Those who represented Canadians [at the time] decided they didn't believe in the English system—with the supremacy of Parliament—and they changed it. Now we've gone towards the American system. Whether I agree or not, I think all three parties basically supported it. The courts now decide whether a provision is reasonable in a democratic society. What this means will not be clear for eight or 10 years until the Supreme Court of Canada has had a chance to make judgments.

**Maclean's:** *Last fall the Boyer committee recommended an end to the discrimination of women and homosexuals in the Armed Forces and the RCMP. You agreed with many of those proposals, stirring a great deal of controversy. How much negative reaction have you received from the public or your own caucus?*

**Crosbie:** There is a strong body of opinion in our own caucus that did not favor the response the government gave to the Boyer committee report. And I think the correspondence we have received opposed [our] response. I don't think that will harm us politically. In any event, the two opposition parties are committed to the same position on these issues. Where the misunderstanding comes is that people feel you're condoning homosexuality. We are not condoning homosexuality. Anything but. We're saying that we cannot allow people of that orientation to be discriminated against when they apply for employment.

**Maclean's:** *What about discrimination against women?*

**Crosbie:** For women in the Armed Forces we have said what the principle has to be, that all jobs be open to women as well as men, and if the individual woman is not suited, then she should be treated on the same basis as the individual man. If you're too short, fine, you're too short as a woman or you're too short as a man. But they should not be barred simply because they are women.

**Maclean's:** *Critics say that some of your legislation, such as greater controls on prostitutes and drunk drivers, is interfering with moral issues. Are we likely to see more government intervention on similar moral issues?*

**Crosbie:** We believe in protecting law-abiding citizens from violations of criminal law. The law on street soliciting has to do with public nuisance. It's not directed against prostitutes. But the situation was that ordinary law-abiding citizens had lost control of the streets and they were being harassed.

**Maclean's:** *Should you take some measures to stop prostitution altogether?*

**Crosbie:** I don't think it's possible to stop prostitution. As long as we've had organized society we've had prostitution, and I do not know of any country that has been able to stop it. It is like prohibition. It isn't possible to stop everyone from drinking no matter how desirable that objective might be. So I think the objective is to try to deal with it as humanely and reasonably as you can. We will soon be introducing legislation that will concern certain aspects of prostitution, pornography and child abuse. Our measures on child abuse will get a lot of support. The area of pornography is full of pitfalls. We've got to balance the rights of the community against individual rights. We are going to take steps to favor victims.

**Maclean's:** *One of the biggest issues facing you is convincing Quebec to sign the Constitution. Will this be possible without making compromises which could reopen infighting between the provinces and Ottawa?*

**Crosbie:** I think this is a problem that ministers in the government of Quebec are aware of. They will doubtless be discussing with the other provinces the approach they want to take, and we are ready to discuss matters with Quebec. But there isn't any doubt that we have to get a considerable number of the provinces to agree to anything we agree to with Quebec. That is not going to be easy, because it may well be that some of them will want a quid pro quo, which is best to avoid. So I would like to see us deal with Quebec in some agreement that would satisfy the province without opening up the whole business of the Constitution. Whether that's possible or not, I don't know.

**Maclean's:** *Is that possible before the next federal election?*

**Crosbie:** It is a possibility. I don't know whether it is a probability.

**Maclean's:** *How much longer will you stay in federal politics?*

**Crosbie:** At present I am planning to continue. The next election is two or three years off. I am enjoying being in power and being involved in decisions. Of course, you never know what is going to happen in two or three years.

**Maclean's:** *When you went into the 1983 Conservative leadership convention, it appeared that you were the No. 1 English-speaking candidate. Yet you did not win. Is that on your mind as you sit around the cabinet table?*

**Crosbie:** No. You can't live in the past. In the summer of 1983 my wife and I thought this over and we decided to stay—that I would continue on Mr. Mulroney wanted me to stay on. In fact, he was kind enough to call me a precious national asset—which I need to remind him of sometimes. So I made a decision to stay in. I enjoy being a member of his government, and I'm enjoying the justice portfolio. I had never thought particularly of being in Justice, but I find it extremely interesting.

**Maclean's:** *Some observers say that your inability to win Quebec delegates was caused by your inability to speak French. Since then you have been studying. Are you still taking courses?*

**Crosbie:** I study a couple of hours a week. It's very difficult. I'm improving my ability to speak French from a script and be understandable, but I don't know if I'll ever achieve a truly bilingual state. It's amazing how well some of our French-speaking colleagues [learn English]. They just seem to be more intelligent than we are. ✪

XEROX

"Our people like the Memorywriter because it lets them adjust to changes so easily. The feature I like is Xerox service."

Jacalin Ramsay, Legal Office Manager

Xerox Memorywriters not only get the work done efficiently, they're easy to learn and use. Often-used phrases, special settings, even long documents can be recalled automatically. Secretaries also tell us that the touch on a Xerox Memorywriter feels just right.

Choose from the productivity of the 6010 right up to the word processing power of the Xerox 645S. And, choose with confidence. Every Xerox Memorywriter is backed by Team Xerox, with service people you can count on.

Team Xerox

Xerox Memorywriter, another solution that fits. Call 1-800-387-1302.

**Solutions that fit.**

XEROX

For more information, mail this coupon to Xerox Canada Inc., P.O. Box 911, Station 'U', Toronto, Ontario M8Z 5P9

Please ☐ Send me information
☐ Arrange a demonstration
☐ Have a sales representative call

Name _____

Title _____

Company _____

Address _____

City _____ Province _____

Postal Code _____ Phone No _____

M88MCS

Official Supplier of Copiers and Duplicators

EXPO 86

Xerox is a registered trademark of XEROX CORPORATION used by XEROX CANADA INC as a registered user. 6010 and 645S are trademarks of XEROX CORPORATION

CLOSE-UP: EMPEROR HIROHITO

# Twilight of a god-king

He is an anachronism encased inside the cocoon-like confines of Tokyo's Imperial Palace grounds. Rarely seen by his own subjects, Japanese Emperor Hirohito, 86, lives in splendid isolation behind the forbidding stone walls and moats of the 284-acre grounds in the centre of the city. His reclusive way of life is appropriate for a man whom most Japanese appear to prefer to forget. And despite special ceremonies planned during 1986 to mark the 60th year of his reign, Hirohito's Diamond Jubilee has been effectively overshadowed by a planned visit to Japan in May by the Prince and Princess of Wales, a couple who enjoy superstar status among Japanese youth. By contrast, many young people say they know little about their own emperor, who is the longest-reigning monarch in the world.

Hirohito viewing cherry blossoms in Tokyo: forgotten

The Japanese reticence to draw attention to Hirohito's anniversary is the result of the turbulent history of the emperor's rule. It was in his name that Japan's military rulers launched the Pacific war in 1941, ultimately sacrificing three million Japanese lives and leaving the nation in ruins. After the war the Western allies stripped the shy emperor of his quasi-divine status. Since then he has become a figurehead in the Japanese system of parliamentary democracy, automatically approving laws passed by elected politicians and greeting foreign dignitaries. But for many older Japanese, as well as members of resurgent right-wing parties, Hirohito remains the godlike symbol of the nation. Japanese politician Yasuhiro Nakasone, who now serves as Japan's prime minister, said in 1954, "If there is anything which the Japanese can hold up with pride to the rest of the world, it is the emperor system."

Currently, the 124th ruler of the Chrysanthemum Throne lives in dignified—if modest—surroundings. No longer a resident of the Imperial Palace, Hirohito and his wife, Empress Nagako, 83, occupy a comparatively small 15-room mansion nearby. The shrill-voiced sovereign devotes much of his free time to his lifelong passion, studying marine biology. He has written 16 books on the subject and his special interest is jellyfish.

The first years of Hirohito's rule were marked by fanatical worship of his position. The frail, bespectacled youth took the throne in 1926. His grandfather, the Emperor Meiji, had restored absolute rule to the throne in 1868 with a constitution that elevated the emperor to nearly divine status. Before the Restoration, as that event became known, Japan's rulers had been virtual prisoners inside their palaces for 750 years while military rulers—known as shoguns—held real power. The emperors retained their role as the spiritual leaders of Japan, but they had lost all worldly power to the shoguns.

Whether Hirohito has ever actually controlled his nation's destiny is still a debated topic among historians. Many claim that, like his ancestors, Hirohito was a puppet of the military leaders who committed Japan to the Second World War. But the mystique surrounding the Chrysanthemum Throne before the war was so great that commoners were forbidden by law to speak the emperor's name. Streetcar passengers travelling past the Imperial Palace grounds bowed their heads in reverence, and court officials traditionally did not look directly at Hirohito's face.

The lofty, lonely position left the young crown prince in painful isolation. When he made the first-ever trip abroad by a Japanese monarch in 1921, he said that he felt like he had first experienced freedom after a childhood as a "caged bird." He travelled to Europe, staying with King George V in Buckingham Palace. At the time, Britain was the envy of Japan's rulers because of its globe-girdling empire. He played golf with Edward, the Prince of Wales, and still keeps a souvenir of his first taste of freedom—a ticket he purchased for the Paris Métro.

Hirohito with Empress Nagako: guilt

The European journey contrasted with growing radicalism at home. In the early 1900s Japan fought wars with China and Russia and created an overseas empire of its own. It annexed Korea and Taiwan and extracted territorial concessions from China. Then, during the Second World War, Tokyo extended its influence over much of China, Southeast Asia and the western Pacific. But faced with atomic destruction in 1945, the Tokyo war cabinet was unable to agree to surrender until Hirohito ordered the generals to give up. In his first-ever broadcast, Hirohito announced the surrender. With typical understatement, he said, "The war has developed not necessarily to our advantage."

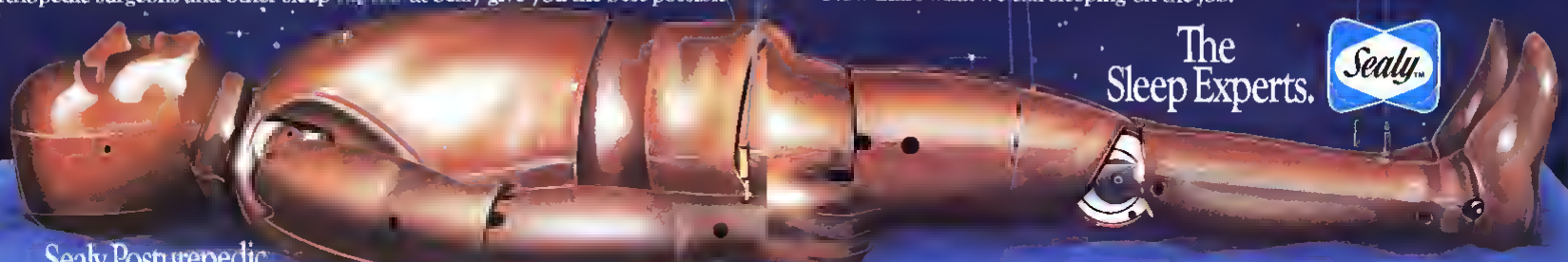
Although some allied nations demanded that Hirohito be tried as a war criminal, U.S. Gen. Douglas MacArthur preferred to use his mythic influence to help rebuild morale in the shattered nation. Forced to renounce his divinity, Hirohito toured postwar Japan, encouraging his subjects. They


His name is DataMan and he's a first.

His purpose in life is to take Sealy Posturepedic design decisions and sleep them [illegible]. He and his computer are tough judges. Together, they provide critical information that helps leading orthopedic surgeons and other sleep experts at Sealy give you the best possible night's sleep. That includes no morning backache from sleeping on a too-soft mattress.

DataMan took five years to perfect. It was time well spent, considering he helps make your sleep the very best.

Now that's what we call sleeping on the job.



The Sleep Experts. Sealy

Sealy Posturepedic.

He talks about you in his sleep.

Venture Inns™

Nobody accommodates you the way our Features do!

VENTURE INN SCARBOROUGH

TYPICAL GUEST ROOM

COMPLIMENTARY CONTINENTAL BREAKFAST

Accommodation Rates*

| | SINGLE | DOUBLE |
|---|---|---|
| Toronto Airport | $60 | $68 |
| Yorkville | $68 | $76 |
| Scarborough | $47 | $55 |
| Burlington | $55 | $63 |
| Barrie | $43 | $51 |
| North Bay | $43 | $51 |
| Sudbury | $43 | $51 |
| Timmins | $43 | $51 |
| Thunder Bay | $45 | $53 |
| Ottawa | $64 | $72 |

*Rates subject to change.
†5% Sales tax not included

Throughout the Venture Inns hotel chain our features have been designed to ensure that our business and vacation travelling guests receive the best service and quality accommodations available.
From our attractive locations to guest rooms, complimentary continental breakfast to our very affordable rates —
at Venture Inns . . . Nobody accommodates you the way we do!

- COMPLIMENTARY CONTINENTAL BREAKFAST
- SPACIOUS GUEST ROOMS
- WARM COMFORTABLE LOBBY
- CLOSE TO OTHER SERVICES
- FRIENDLY PROFESSIONAL STAFF
- QUALITY AT AFFORDABLE PRICES

Venture Inns OF CANADA LTD

Hotels now open: Barrie, Burlington, North Bay, Ottawa, Scarborough, Sudbury, Timmins, Thunder Bay, Toronto Airport, Toronto Yorkville.

Toll Free Reservations: 1-800-387-3933 In Toronto call (416) 674-0200

Venture Inn TORONTO AIRPORT

WONDERLAND

$39.95 per person per night based on double occupancy

INCLUDES
- 1 night's accommodation for two
- 2 Adult Canada's Wonderland Passports.
- Advance reservations required
- Valid May 4 Sept 29

925 Dixon Road (Airport Strip) Rexdale, Ontario M9W 1J8 (416) 674 2222

Venture Inn SCARBOROUGH

METRO TORONTO ZOO

$32.25 per person per night based on double occupancy

INCLUDES
- 1 night's accommodation for two
- 2 Adult Zoo Passes and 2 Children's Zoo Passes.
- Advance reservations required
- Valid May 1 Sept 31

50 Estate Drive, (at 401 & Markham Rd.) Scarborough Ontario M1H 2Z1 (416) 436-5686

greeted him with a combination of awe and shame. But the press, exercising unaccustomed liberty, labelled Hirohito Mr. *Ah so desu ka* (Oh, really?) for his bland replies to other people's tales of suffering.

Hirohito remains a profoundly emotional symbol even today. So entwined are Japanese feelings of patriotism and guilt over the war that criticism of the emperor is considered socially unacceptable. And his image has continued to inspire acts of extreme radicalism. In 1961, when a writer published a black comic novella in which the royal family was executed, an outraged right-wing fanatic descended on the publishing house, stabbed one woman to death and seriously injured another.

Among those Japanese who do comment openly on the emperor, there is little historical consensus. Some historians have criticized him for indecisiveness at a time when Japan's militarists were planning war. Others have been more compassionate. Respected scholar Mikiso Hane, for one, said, "His upbringing and temperament conditioned him to accept the guidance of his advisers." Hirohito himself rarely comments on the war. In a 1975 interview he said, "The saddest thing in my reign was the Second World War."

By the 1970s his stature in the West had improved to an extent that enabled him to visit Europe for the first time in 50 years. He also toured the United States, paying a cherished visit to his co-enthusiasts at the Marine Biological Laboratory in Woods Hole, Mass. During that trip he visited Disneyland and, except during state ceremonies, he wore a Mickey Mouse watch for years afterward.

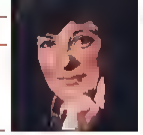
The emperor has been forced by old age to limit his state functions to four hours a day. Still, he gives approval to an average of 3,000 documents a year, personally signing them with an ink brush. With Crown Prince Akihito, 52, he maintains a two-storey laboratory on palace grounds. Little is known of the next emperor apart from his scholarly interest in fish fossils. Akihito broke with ancient tradition in 1959 by marrying a commoner. Their son, 26-year-old Prince Hiro, shares the family interest in arcane academic pursuits. He recently completed postgraduate work at Oxford, where he studied inland water transportation during the Middle Ages.

Many Japanese still troubled by the humiliation and guilt of the Second World War will welcome the low-key nature of the ceremonies planned for the 60th anniversary of Hirohito's reign. The quiet passage appears to be appropriate for the faded god-king.

—PETER McGILL in Tokyo

COLUMN

# The drift toward tax reform



By Dian Cohen

Fifteen years ago Canadians welcomed the most significant tax reform in 50 years. The tax reform of 1971 followed more than a decade of criticism that the system was unfair, too complex and so patchworked that provisions and incentives were working at cross-purposes. The Royal Commission on Taxation placed its primary emphasis on the need for the tax system to be fair. Not all the recommendations were later implemented in the Income Tax Act, but enough endured to influence the tax system we face today. Needless to say, we have a more complex system than ever. What is less obvious is that some of the most complex provisions of the act are designed to ensure that all taxpayers are treated equally.

The irony is that the complexities themselves—pension income deduction, interest and dividend deduction, provision for dividends received by a spouse, transfer of education deduction to a supporting parent and so on—have become a barrier to equality because the people they are designed to help can't understand them.

It also seems unnecessary to say that the tax system is cluttered by a myriad of incentives designed to achieve numerous economic objectives. Investment tax credits, fast writeoffs of depreciable property to stimulate investment, regional incentives to help less developed regions of the country, others to help the film industry or scientific research—all of them made sense to someone in the bureaucracy when money was no object in the golden years of the 1960s and 1970s. But times are tougher now and it is evident that some of these incentives do not deliver the appropriate response, while the ones that do set a cost to the public purse that, in many cases, exceeds the benefits.

In our current rush to economic efficiency, there are indications that Canadians may be in for a reform of the tax system as dramatic as the reform of the early 1970s—but with none of the fanfare. Says David Laidley, a partner with the accounting firm Touche Ross: "Instead of trying to build a new boat to replace the leaky old one, we may be looking at an entirely new method of transportation."

If Laidley and other tax experts are right, the "new method of transportation" will represent a 180-degree turn in the philosophy that has governed the Canadian tax system since it was devised. Our present system taxes income, which is the proxy for all that a person puts into the economy. The policies of the Conservative government now lean in the direction of taxing consumption, which reflects all that a person takes out of the economy.

Four specific items support the conclusion that consumption taxes will proliferate in the next few years, while income taxes will recede. First, there is the minister's statement that his next budget will introduce fundamental changes to both personal and corporate taxes. Second are provisions in the February budget that eliminate the investment tax credit and lower corporate tax rates. Third, there is the statement by the finance minister that a discussion paper on a business transfer tax will present options for replacing manufacturers' sales tax with a broader tax that would include services as well. Finally, there is the recent introduction of a minimum tax with no distinction about whether the income represents capital gains, dividends, rents, wages or salaries.

*The complexities of our tax system have, in effect, become barriers to the people they were designed to help*

This new philosophy of efficiency sits well with Canada's bureaucrats, just as it does with their counterparts in other industrial nations. A consumption tax is simple to administer: it would likely consist of one fixed tax rate, rather than the dozen or so marginal rates at which income taxes are collected. It is more difficult to avoid paying than income taxes are. It appeals to the belief that if Canada is to restructure its economy, vast sums of money for investment and social programs will be required in the next 20 years. Encouraging people to make money by not taxing it and encouraging them to save and invest it by taxing them when they spend is the newest thinking in public finance.

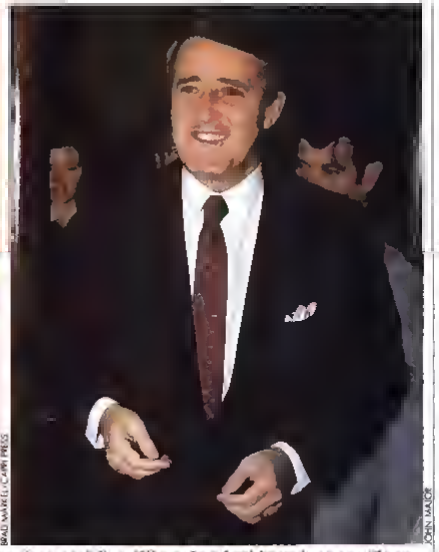
The finance department is well ahead in its plan to reform the system. It would like to put the business transfer tax in place in the next budget, likely with the blessing of even the small-business sector, which views it as a lesser burden than a value-added tax (VAT), which would have added layers of taxes at each stage of the production-distribution process. Once the business transfer tax is in place, it will be a simple matter to make adjustments, depending on how much revenue is raised. If it works well enough, a full VAT could be instituted to enhance government revenue, and the income tax phased out. The single exception would be the minimum tax, which took effect last January.

The obvious criticism of a consumption tax is that it is regressive: people with lower income dispense proportionately more of their income for taxes, leaving less funds for savings. This concern spelled the death of the "flat tax," a plan to institute a single tax rate on all incomes. That issue never found enough support even to create public debate. Now, Finance Minister Michael Wilson has approached tax simplification from another direction by introducing refundable tax credits in his February budget. All that has to be done is to tinker with the amount of credit and the level of income at which a credit will be refundable in order to siphon money back to the lower income groups.

From the government's point of view, it will be more difficult to target specific incentives. But the problem it has now is that there are too many incentives distorting investment decisions. As well, the incentives have proven too costly in terms of lost revenues for the federal treasury to bear. Virtually everyone involved believes that a consumption tax system is a better alternative to what we have now.

A number of elements in the consumption tax system are already in place. This has been accomplished without substantial opposition. They include the business transfer tax, the minimum tax, the refundable sales tax credits and the half-million-dollar capital gains tax exemption to encourage investment and saving. The biggest danger to unopposed—and as yet unquestioned—tax reform is that the phasing out of income tax will not happen on schedule and that instead of an efficient, fair, simple system, we will all be taxed as it comes in and as it goes out.

*Dian Cohen is a Montreal-based economics writer.*



*Senate Finance Committee members John Chafee (left), Danforth, William Roth and Dole, Mulroney (right): 'legacy'*

**CANADA**

# Saving the trade talks

The smile said it all When chairman Robert Packwood entered the crowded Senate Finance Committee room for the second time last Wednesday, it was clear that a deal had finally been struck It was a sign that 12 days of tension and high-powered lobbying had broken a stubborn committee majority that, by one vote, threatened to derail Canada-U.S free trade talks The only question that remained which of the 20 politicians sitting around the horseshoe-shaped table had changed his mind, providing the vote needed to salvage the trade negotiations It turned out to be one of the drama's least prominent participants As a clerk read the roll call, Democrat Spark Matsunaga of Hawaii announced that he would "break the suspense" and cast the deciding ballot

In Ottawa, Prime Minister Brian Mulroney hailed the verdict as "a great victory" for both countries. In Washington, U S trade representative Clayton Yeutter was equally enthusiastic Said Yeutter "If we achieve a successful agreement we will be leaving a significant legacy for our children well into the next century" Still, observers in both capitals said the victory seemed hollow Even after intense lobbying by the Canadian government and the White House, including personal pressure from President Ronald Reagan, the key vote was a 10-10 tie That was the minimum needed to throw out a motion to bar so-called fast-track trade negotiations Under the fast-track system—Canada insisted on it—Congress is required to simply ratify or reject any trade agreement within a fixed time period and without the right to amend its terms

Even with fast-track authority, the negotiators received notice that the politicians will be looking over their shoulders to make sure no special interests are bargained away Warned John Danforth, the Missouri Republican who organized the committee's opposition forces "We are going to be watching these negotiations like eagles I want to serve notice that this senator does not have to go along with what is negotiated This senator is going to be very, very hard to please"

The events that turned what was expected to be rubber-stamp approval into a dramatic political struggle came as a surprise—even to some of the participants It was no secret that many committee members nursed long-standing grievances on trade issues Some, like Danforth, have been frustrated by the Reagan administration's refusal to respond to congressional suggestions for more protectionist trade policies. Others were protecting constituent interests and industries they claim were being harmed by cheaper Canadian exports Democrat Max Baucus of Montana, for one, is seeking restrictions on Canadian softwood lumber exports that have undercut production in his state But when those frustrations emerged at the committee's first hearing on April 11, even veteran insiders were taken aback. Recalled one committee aide "You could see the jaws of staff members dropping around the room as their senators said they wouldn't support fast track."

Despite the shock, the White House was slow to act One White House trade official told *Maclean's* that Reagan's staff was preoccupied with a visit by Japanese Prime Minister Yasuhiro Nakasone As a result, little action was taken on the issue until well into the following week. That left Canadian diplomats, Yeutter and some industry lobbyists to launch the offensive. While Yeutter, former head of the Chicago Mercantile Exchange, is highly respected, he is restricted to carrying out policies set by the White House Canadian Ambassador Allan Gotlieb, lacking power to settle bilateral disputes, faced similar difficulties.

At the same time, Missouri's Danforth was hard at work The 57-year-old heir to the Ralston Purina feed fortune, a former Wall Street lawyer and Episcopalian minister, came to the Senate as a free trader in 1970 But as time passed and he rose to head the finance committee's international trade panel, his attitude shifted His chief aim to push the White House into adopting a tougher line on trade. The request for authority to conduct free trade negotiations offered Danforth an opportunity to get his message across forcefully.

With the help of Louisiana's Senator Russell Long, the committee's senior Democrat, Danforth developed the committee's opposition Said Steve Hilton, Danforth's spokesman "It was extremely difficult to get that bloc assembled Each of those senators likes Canada fine Each likes trade liberalization Taking that position was going against the grain That they did it is an indication of their dissatisfaction with the administration."

Six days after the first committee hearing, with a vote on free trade scheduled, Danforth sent a letter to Reagan signed by 12 committee members—more than enough to reject the fast track Senior White House staff reacted by getting Reagan personally involved One of his first moves was to telephone Oregon's Packwood and urge that the vote be delayed until the following week Packwood, more sympathetic to the White House than many of his colleagues, readily agreed—despite the fact that Oregon's forest industry has suffered from Canadian lumber exports.

The administration's next move was less predictable. It called upon the lumber industry for help, the very producers who claim economic injury from Canadian exports (page 12) But according to a Senate aide close to the negotiations, the lumber producers had to honor the request regardless of their reservations. They need the goodwill of the White House. You need two things if you are a U.S. lumber company. First is near-term relief under American law. As the administration can control that, it would tend to militate against bucking them on a big one. And in the long term, you need them to sit there negotiating with Canada just as strongly for you as for the potato industry." In what the aide described as "a crucial chapter in this episode," the lumber trade applied strong pressure on committee members from lumber states to back off—and support the fast track.

At the same time, Reagan wrote each committee member and telephoned more than half of them By last Tuesday, when the committee reconvened, Idaho Republican Steven Symms, who earlier had signed Danforth's letter, had become a cheerleader for fast-track talks Another signatory, Kansas Republican Robert Dole, had also switched sides. But committee debate soon revealed that the White House was still short There were 11 opponents of fast track. Again Packwood delayed, putting the vote off until Wednesday morning

Even then, Packwood had to postpone the vote until the afternoon while the White House continued to wrestle with Danforth and his allies Arriving at the White House for a meeting with Reagan, eight recalcitrant senators were greeted in the cabinet room by an imposing cadre of arm-twisters, including Vice-President George Bush, Treasury Secretary James Baker, Secretary of Commerce Malcolm Baldrige and Secretary of State George Shultz The exchanges were frank and sometimes heated. Reagan said that he did not want to travel to next week's Tokyo economic summit and try to promote freer world trade after being blocked in his attempts to deal with Canada The senators, in turn, demanded greater consultation on trade issues

Matsunaga finally agreed to switch his vote because, as he

*Yeutter (second from right), U.S. senators' eagles*

explained later, the President appeared to have "learned his lesson." The White House agreed to push Canada to negotiate an end to the lumber dispute independently of other trade talks. Yeutter said later that a settlement may come "within weeks rather than months." And Danforth received assurances that Packwood will allow the committee to debate the Missouri senator's protectionist trade bill.

In Ottawa the result ended a long vigil in a committee room of the Prime Minister's Office by Mulroney's top advisers. Moments after the report arrived, the Prime Minister entered the room to spontaneous applause. Later, he hailed Reagan's efforts. "We made a deal with him and he delivered." Reagan's problems with the committee, the Prime Minister added, should eliminate the notion "that the United States was just down there on bended knee, just waiting to clean out those poor, little dolts from Canada."

For their part, Canadian critics suggested that backroom deals might have bought the Senate settlement. Said New Democratic Party MP Steven Langdon: "We predict that the price to pay for Canadians will have gone up very considerably in these free trade talks." But in Washington a U.S. Senate aide said that suggestions of any backroom deals were "just silly."

University of Toronto economist Abraham Rotstein, a critic of free trade, warned that conditions proposed by the finance committee would ensure that the talks ended in stalemate. Rotstein noted that the Senate does not want Canada to be exempted from U.S. countervailing penalties on imports found to be subsidized. If Washington accepts that position, then Ottawa's main reason for holding talks—guaranteeing access to U.S. markets—could disappear. Indeed, Gary Hufbauer, an international trade lawyer in Washington, said the Senate uproar will force U.S. negotiator Peter Murphy to take a tougher stand with Canada. Said Hufbauer: "It has to have told the administration, 'Look, if you make any concessions that look like giveaways, you're in real trouble.' It restricts the negotiators' latitude."

Whatever Murphy does, congressional trouble may soon boil over again. The negotiating authority will expire at the end of next year. That means that by the middle of 1987 the White House will have to ask Congress for an extension. And that could set the stage for another fight—one that might well take the trade talks, and Canada, hostage again.

—IAN AUSTEN in Washington with MARC CLARK and KEN MACQUEEN in Ottawa

# The softwood factor

After last week's showdown in Washington over trade with Canada, some members of the U.S. Senate finance committee claimed a significant victory. The reason: in return for granting President Ronald Reagan authority to launch free-trade negotiations with Ottawa, the senators won a White House pledge to press separately for settlement of a long-standing dispute over softwood lumber imports. Even before the full trade talks begin, U.S. and Canadian lumber negotiators are scheduled to hold a mid-May meeting in Washington. At issue are booming Canadian lumber sales to U.S. markets—currently worth more than $3 billion (Cdn.) annually. That is not all. Also at stake in the discussions are thousands of forest-industry jobs on both sides of the border.

The lumber dispute has been one of the most complicated and intractable bilateral trade irritants. Canadian and American negotiators have conferred four times since January, 1985, to discuss U.S. complaints that low-cost Canadian lumber has caused the loss of more than 30,000 jobs in the U.S. industry while raising Canada's share of U.S. markets to 35 per cent from 20 per cent. Canadian officials argue that lower prices result from a decline in the exchange value of the Canadian dollar. But U.S. loggers insist that Canadian provinces provide unfair subsidies by levying unrealistically low royalties, or stumpage fees, on wood cut from Crown land. Each side has spent millions of dollars arguing in Congress and in formal cases before the U.S. International Trade Commission (ITC) and the commerce department. American companies have appealed in vain for the imposition of penalty duties on Canadian lumber, alleging unfairly subsidized imports. And some Canadian foresters believe the Americans have a case. Harold Babcock, a retired economist, says flatly, "Our wood is subsidized."

Representatives of the U.S. forest industry expect the battle to move into a new—and decisive—stage this summer. If negotiations fail, the U.S. companies are expected to launch another appeal for countervailing duty penalties that would raise the selling prices of Canadian imports. Their last complaint to the ITC and the commerce department was rejected in 1983. But in an unrelated case against Mexico earlier this month, a U.S. trade ruling set a precedent on subsidies which could make Canadian lumber subject to a countervailing duty. "In 1983 the Reagan administration was very hostile and put a lot of pressure on the commerce department," said Mark Murray, an aide to Washington congressman Don Bonker. "Now, we feel we have their support. Politically and economically, the industry feels the time is right to move rapidly."

—MARC CLARK with DON PITTIS in Ottawa

Senators John Danforth (R-Mo.) (left) and George Mitchell (D-Me.): thorny irritant

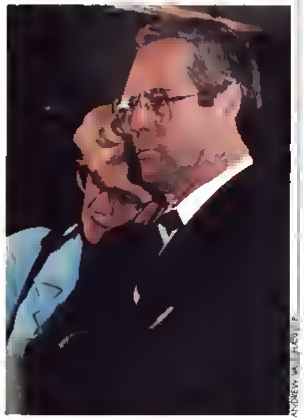
Ghiz, wife Rose Ellen, and children Robert and Joanne: catching the government by surprise

# An upset on the Island

For Prince Edward Islanders and the mainlanders who visit for summer vacations, the nation's smallest province is a bucolic place with a gentle landscape and neighborly manners to match. But last week Island voters turned with severity against their Conservative government and its quiet leader. In a decisive provincial election the voters abruptly ended the reign of James Lee, 49, Prince Edward Island's premier since 1981. After two terms of Tory government through seven years, Islanders embraced a revitalized Liberal party under Joe Ghiz, an intense and flamboyant Charlottetown lawyer. Ghiz, 41, moves into the premier's office with a commanding 10-seat majority in the 32-member Legislative Assembly. Concluded Conservative party president Andrew Walker in characteristic Island understatement: "A lot of people just wanted a change."

The scope of the victory caught almost everyone—except the Liberals—by surprise. "I wasn't expecting it," a stunned and dejected Lee said on election night. His shock was compounded by the loss of his own Charlottetown seat—to a 35-year-old political neophyte, lawyer Wayne Cheverie. Two other ministers in his 10-member cabinet were also defeated. The result reinforced a revivalist mood among Liberal party loyalists nationally. When Prime Minister Brian Mulroney's Conservatives swept to power in September, 1984, they removed the only Liberal government then in Canada. Now, Prince Edward Island is the third province in 10 months—following Ontario and Quebec—to install a Liberal government.

Lee and wife Patricia: misjudged



The Liberal victory was the satisfying denoument of a tactical script that Ghiz and a small group of senior advisers had polished for a year. An aggressive Liberal attack on the premier's record and sincerity opened wounds that Lee himself aggravated during the brief four-week campaign. By week's end, Ghiz had already begun to draft a script for the future. His task: to turn what he called "the hope and opportunity" of an upbeat campaign into durable prosperity for P.E.I.'s 126,000 residents and a tottering farm economy, especially hurt by low prices for potatoes and unsalable surpluses. Already, one-third of the province's 3,000 farmers are unable to meet debt payments. For his part, Lee offered few new initiatives, stressing continuity and experience in a campaign that was low-key to the point of dullness. Explained Tory campaign chairman John Carr: "We felt the record was good. The polls supported us. Obviously we were wrong."

Playing on perceived Tory weaknesses, early Liberal campaign commercials featured chiming cash registers that tallied the cost of dubious Conservative decisions. One message reminded voters of Lee's controversial $9.1-million rescue of a foundering hotel and convention centre on the Charlottetown waterfront, recently sold for a mere $1 million in cash. It also served to remind voters—while discreetly steering clear of any direct reference—of Lee's February admission that he and his family had once accepted a free Florida vacation from the hotel's developer, Bernard Dale. Shaken, the Conservatives bought newspaper space to claim that "Jim Lee keeps his promises." But by then the Liberals had moved smoothly to part two of their plan to portray Ghiz as more credible than Lee. In new television ads, set in sun-dappled fields, a shirt-sleeved Ghiz affirmed his loyalty to family values, community and the Island's

values, community and Prince Edward Island's cherished rural lifestyle.

But the Liberal game plan did not anticipate the element that provided the campaign's most dramatic moment: Ghiz's Lebanese ancestry. That issue had hovered over his career since he won the party's leadership in October, 1981. And it fuelled a corrosive whisper campaign that contributed to the Liberals' loss in a general election 11 months later. It surfaced again in this election, at first in private remarks, then in persistent questioning by national reporters and finally in the Charlottetown *Evening Patriot*. Eleven days before the vote the newspaper broached "the bigotry factor," reporting that some voters might withhold support from Ghiz because of his ethnic origin. Four days later Ghiz responded. With controlled emotion Ghiz said "I am a Canadian, and proud of it. I am an Islander, and proud of it. I am a Canadian and an Islander of Lebanese extraction, and I am proud of that as well." That frontal response effectively disarmed the ethnic issue.

Meanwhile, Lee seemed to be stumbling. During a debate on women's issues, Lee badly misjudged his audience and the issue by insisting that his government would not endorse the principle of equal pay for work of equal value, an article of faith for the women's movement. "P.E.I. shouldn't rush into it just because it's something new, something fashionable," Lee said, to audible groans. And Lee's last-minute announcement of a new radar manufacturing plant employing 350 people backfired after it was revealed to be little more than an agreement to open discussions with the putative employer, Litton Systems Canada Ltd.

But the Tories seemed to have had no warning of impending disaster. Observed Island senator and former Tory MP Heath Macquarrie: "Islanders are polite to their politicians. You can't see the obvious discontent that may manifest itself in the vote." Although party officials offered various reasons for Lee's defeat, there was virtual unanimity on one point: both sides said recent fee increases for federal services contributed to the anti-Tory sweep. In the past year Ottawa has doubled the $10 entry fee to the Island national park and raised the return fare on the ferries that link the province to the mainland. Islanders, heavy users of these services, were not reluctant to show their resentment. Noted Conservative campaign chairman Carr: "The federal government was a factor in the backlash."

—CARIS WOOD with BARBARA MACANDREW in Charlottetown and KEN MACQUEEN in Ottawa

# Cashing in on a backlash

REDMAY, FRANK, A. POGI

*Island farmer loading potatoes: 'we listened and we responded'*

*Still visibly elated by his upset victory, Liberal Leader Joe Ghiz, the newly elected premier of Prince Edward Island, outlined his future plans with* Maclean's *Halifax Bureau Chief Chris Wood late last week in a wide-ranging discussion. The interview took place in Charlottetown's Coles Building, the opposition leader's office that Ghiz will be vacating this week. Some excerpts.*

**Maclean's:** *Four years ago you lost the P.E.I. election by the same margin as your victory this time. What happened in between?*

**Ghiz.** I travelled from end to end of this province. I met with every possible interest group. There wasn't a weekday night in the past four years that I didn't have a commitment. We listened to what tourism operators had to say and made notes, and it's in the Liberal policy. The same applies to education and social equity and agriculture and women. We listened, and we responded. That's in a very large measure why we won.

**Maclean's:** *The Lee government was also vulnerable.*

**Ghiz.** Ordinary Islanders became angry because hard-earned tax dollars were being wasted. People work hard to earn a living and pay their taxes. They don't like to see government squandering their money.

**Maclean's:** *Was there a backlash against Ottawa?*

**Ghiz:** The backlash came as a result of increased user fees, potato inspection fees, wharfage fees. Park fees doubled for Islanders this year. Cutbacks for wharf maintenance and repair. We saw these cutbacks and user fees and we saw a compliant provincial government.

**Maclean's:** *How much of your platform do you expect to act on immediately?*

**Ghiz:** The majority will be dealt with immediately. I see no problem implementing the denticare program and the pharmacare program for senior citizens right away. We're going to provide assistance to farmers and a clothing allowance for people on welfare. As each minister is sworn in, I'll give him a list of the priorities.

**Maclean's:** *Can the province afford such an extensive package?*

**Ghiz:** I expect to be briefed on the finances. I know I'm not going to hear a good sum. But we're a democratically elected government. I'm not going back on my promises just because the cupboard will be bare.

**Maclean's:** *Half the Island's budget is met by transfer payments from the federal government. How do you expect to do better in dealing with the Conservatives in Ottawa than Tory premier Lee?*

**Ghiz.** I will be negotiating with one point of view in mind: the interests of the people of Prince Edward Island. I will not be negotiating with a view to making the Progressive Conservative party look good.

**Maclean's:** *When you walk into the premier's office and sit down, what will your personal first priority be?*

**Ghiz:** To do a good job ✪




# The New Chevy Nova.
# Any way you look at it, it's absolutely right.

If you've been looking and looking for the right car, look no more. All-new Chevy Nova is here.

## Look at the style.

Nova's lines are clean and simple. Born of advanced aerodynamics. Uncluttered and efficient to minimize wind drag, maximize road-worthiness, fuel economy and yes, eye appeal.

## Look at the room.

Nova can seat 5 in comfort, with 13.8 cu. ft. (391 Litres) of trunk space for weekend luggage. In the hatchback, the back seats fold down for 35.5 cu. ft. (1005 Litres) of cargo room. Nicer still are "classy" touches like fully reclining front seats, built-in door pockets. And much more.

## Look at the drive.

Nova's technology is state-of-the-art front-drive. It has 4-wheel independent suspension and rack-and-pinion steering for impressive road stability, responsiveness and a smooth ride. Equipped with a 1.6 Litre 4-cylinder OHC engine and a precise 5-speed transmission, Nova delivers spirited performance. Off the mark. On the road.

## Look at the economy.

Nova not only sells at a Chevy price, it's also frugal on fuel with a combined rating of 40 MPG (7.1 Litres/100 km) based on Transport Canada's testing methods for a 1.6 Litre L4 Nova with 5-speed manual transmission.

## Look at the quality.

Nova's the product of a joint effort of Toyota and General Motors technology and craftsmanship. It shows. Everything fits snugly. The finish is first-class. In fact, Nova's built so well that in GM's exacting quality tests, it consistently achieves top scores.

So go see new Chevy Nova now at over 485 Chevy dealers. You'll be absolutely convinced it's absolutely right!

GM Official Supplier for The 1986 World Exposition EXPO 86

*Way to Go Chevy!*

Chevrolet

# Joe Ghiz, that's who

This weekend, if the weather is right and Joe Ghiz can escape the demands placed on an incoming premier, he will bundle his family—wife Rose Ellen, son Robert, 12, and daughter Joanne, 2—into a seven-year-old blue Mercury station wagon and drive out to Brudenell in eastern Prince Edward Island, the site of their family retreat. The cottage, a comfortable cedar shingle affair, is set at the end of a dirt road amid three acres of sporadically mowed lawn sloping gently down toward the tidewater estuary of the Brudenell River. The annual family outing to open the cottage is the sort of thing Ghiz revels in. For Prince Edward Island's new premier-elect, family is not merely the private magnetic pole sustaining his identity and direction. It is at the very centre of his political purpose.

"Family brings it all home," he said last week. "You see the future in your children." Ghiz's own childhood memories of helping out behind the counter of his parents' Charlottetown grocery store after school are reflected in his blueprint for Island prosperity. Even after leaving the Island to study law at Halifax's Dalhousie University, Ghiz would pitch in on weekends, stocking shelves and delivering grocery orders. "The family business was part of my being—Mum and Dad and children working together made the business work," he told *Maclean's*. "And I instinctively know that the things that are going to work on Prince Edward Island are the small, family businesses. That's where the jobs are created."

However, Ghiz's views are based on more than nostalgia. Beneath a cultivated folksiness, he has a keen intellect and an intensity of purpose. In the past, the combination has sometimes erupted in outbursts of temper. That and a tendency to lapse into the adversarial posture of the courtroom lawyer remain his most frequently cited shortcomings. Noted one close observer: "Ghiz has a temper. He has a kind of disdain or contempt at times. He has controlled that so far, but power does strange things to politicians. Patience wears thin."

Ghiz has stoked his political ambition since his undergraduate days at Prince of Wales College, where he was involved in student politics. In 1981 he defeated party veteran Gilbert Clements to claim the Liberal leadership vacated by Bennett Campbell. But in the general election less than a year later, Ghiz's platform style was branded too aggressive. The penetrating intellect, honed by a master's degree from Harvard Law School, too often found expression in what some Islanders called "five-dollar words." For this election campaign Ghiz cultivated a down-home accent and favored jeans and a sweater instead of his customary suit and tie.

Power will mean changes for Ghiz and his family. Ghiz will close his one-man law office, just down the street from the Island legislature. One welcome bonus: a raise in income to $62,000 from $49,000 annually. And there may be more formal parties in the couple's 17-room Victorian mansion in Charlottetown's tony Brighton neighborhood. But Joe Ghiz is still likely to be found on a weekend turning over his Brudenell vegetable garden or playing basketball on the driveway with son Robert. Said the premier-elect last week: "I intend to continue to be Joe Ghiz."

—CHRIS WOOD in Charlottetown


ALLERGIC RELIEF WHEN YOU CAN'T AFFORD TO BE DROWSY.

Seldane® is the first non-sedating antihistamine that relieves allergic symptoms... sneezing, runny nose, irritated eyes—without drowsiness.

When allergies strike, your antihistamine has to work for you. Seldane works—without drowsiness.

Look for Seldane Tablets at your drug store, or consult your pharmacist.

Seldane®
Relief without drowsiness.

Merrell Dow Pharmaceuticals (Canada) Inc., Concord, Ontario. L4K 1Y7
03 86-703

Dear Sharon,
You haven't lived, until you've made your own pottery in Guadalajara! My "teacher" Mario says I've got talent—who am I to argue?
Leaving these warm people and their endless sun and gorgeous [illegible] so hard. We've already decided [illegible]
Love,
Michelle

FEEL THE WARMTH OF MÉXICO.

Turismo de México

México. Host country of the 1986 World Cup

© 198 Mexico Tourism

# Ontario's new agenda

Perhaps it was the weather—a chilly April day. Or perhaps it was the lack of great expectations. Whatever the reason, only 300 well-wishers accepted Premier David Peterson's invitation last week to attend the first Liberal government throne speech in 43 years. Snacking on apple juice and cake in the Queen's Park vestibule, they stood before four video screens to watch Ontario Lt.-Gov. Lincoln Alexander deliver the 45-minute speech. A blueprint of Peterson's plans for the next decade, it contained 53 new programs designed to make Ontario "a world-class competitor" in the 21st century. But by focusing on "a framework for long-term achievment," the speech drew sharp criticism—both from the opposition Conservatives and the Liberals' own unofficial coalition partner, the New Democrats.

GARY HEBER/CP WIRE

*Alexander: futuristic*

In fact, Peterson seemed to be using the speech to distance himself from the NDP and to appease a business community grown restive by NDP-promoted changes in social policy. Before the 1985 legislative session, the minority government signed a two-year accord with the New Democrats, which yielded legislation that will ban extra-billing by the province's doctors and tougher rent controls. But in recent weeks Peterson has quarrelled with NDP Leader Bob Rae, a clear sign that the political marriage is in difficulty.

Certainly, the throne speech—while promising the traditional menu of additional funds for hospitals and senior citizens—had the polished look of a futuristic election platform. The 36-page text served notice that the Liberals believe high technology and entrepreneurship will be Ontario's springboard into the future. Among the key initiatives: a 10-year, $1-billion technology research fund; educational programs designed to "provide young people with a bridge to business, industry and employment"; and an investment network that will link investors with entrepreneurs through the Ontario Chamber of Commerce. The address also introduced a new merit award (the Order of Ontario) and declared the government's intention to enhance Pacific Rim trade.

The opposition quickly criticized the throne speech as too vague and too lofty. Said opposition leader Larry Grossman: "For a party that's been champing to take power for more than four decades, it's a pretty tame agenda." In turn, the NDP's Rae complained that the premier had offered no hope for the unemployed nor any protection for the environment. But many businessmen were frankly encouraged. Said Ontario Chamber of Commerce president Bernard Wilson: "We are glad the government is finally recognizing that business creates jobs and governments create an environment." As the legislature resumed sitting after nine weeks, the emerging rift between Liberals and NDP promised to enliven what could be the last session before the next election.

—SHERRI AIKENHEAD in Toronto


# LEASE LUXURIOUS FAMILY ACCOMMODATIONS.

**Dodge 600**
**Plymouth Caravelle**

Elbowroom, headroom and plenty of room for the kids are just some of the many virtues of these stylish six-passenger touring sedans.

Front-wheel-drive provides the maneuverability and parking ease of a compact car. There's the saving grace of electronic fuel injection. And you can go all the way with an optional 2.2 litre turbocharged engine.

All it takes to put you and yours in the lap of luxury is Chrysler LeaseAbility.

Monthly payments are lower than if you purchased the same car, because you pay only for its use. Which means more cash for you to spend on other things. And you can depend on Chrysler service right across Canada. How to keep everyone happy?

See your local participating Dodge or Plymouth dealer today.

CHRYSLER LeaseAbility
*Makes Leasing Easy!*
Dodge Plymouth

# Why the number one rated running shoe is your best choice for walking.

A recent *Runner's World* survey of its subscribers* shows that more men and women run in the Brooks® Chariot than any othe shoe.

The Chariot is number one for many reasons. The same reasons that make it a good choice for fitness walkers, too.

Whether you walk a little or a lot, an unstable shoe (L) can cause serious injury. Get control with the Chariot (R).

*Comfort* — The Chariot cushions your feet with a dual density midsole made from sophisticated materials thoroughly tested in Brooks' labs. It's also available in widths for better fit.

*Stability* — Brooks' unique Diagonal Rollbar™ wedge midsole give you superior motion control and support.

*Light weight* — The Chariot is only 11 ounces in an average size shoe.

*Breathability* — An attractive pigskin leather and mesh upper keeps your feet cool.

*Durability* — The Chariot's carbon rubber outsole lasts and lasts.

So look for the Brooks Chariot wherever the best athletic footwear is sold. Or write Brooks, 895 Meyerside Drive, Mississauga, Ont. L5T 1R8 for your nearest dealer.

And step out in the best shoe for walking, the Brooks Chariot.

*The survey is from the July 1985 issue of *Runner's World*, America's most widely read magazine for runners.

BROOKS®
*High performance from the ground up*

CANADA'S WEEKLY NEWSMAGAZINE
Maclean's
SECOND NATIONAL PHOTO CONTEST

In celebration of the 150th anniversary of Canada's first train service Maclean's 1986 Photo contest is devoted to the theme of **railways.**

GRAND PRIZE
A trip for two from anywhere in Canada to Vancouver on **VIA RAIL CANADA**, including a three day pass to EXPO 86 three nights hotel accommodation and a VIP tour of VIA RAIL's EXPO 86 Sesquicentennial exhibit. Value $2,500 approx (Must be used Sept 3/86 to Oct 1/86)

RUNNERS UP
10 runners up will be awarded VIA RAIL Sesquicentennial kits including an engineer's cap whistle coffee mug T-shirt brochure on Canada's first rail way color print of Canada's first locomotive the Dorchester and a Sesquicentennial pin Value $60 each

HONORABLE MENTIONS
10 honorable mentions will be awarded **Railway Country-Across Canada by Train**, written by Brian D Johnson with photographs by Dudley Witney Published by Key Porter Books Value $38 95 each

A total of 21 prizes will be awarded

Photographs will be judged by Dudley Witney and Maclean's editors Judges will choose one Grand Prize winner 10 Runners-up and 10 Honorable Mentions

CONTEST RULES

1 Photographs must be on the theme of railways
2 Photographs may be black & white or color and should be at least five by seven inches unmounted On the back of each photograph entered you must print your name and address
3 Color slides may be either 35mm or 2¼ x 2¼ inches Entrants name and address must appear on each slide
4 All entries must be received by midnight June 10 1986 and must be accompanied by an official entry form or facsimile thereof
5 Entries will not be returned All winning entrants agree that Maclean's will have the sole right to use the winning photographs for promotion purposes without compensation
6 Entrants guarantee that photographs submitted have not been previously published and are not subject to any copyright other than the entrants Signed releases must be available for photographs showing recognizable person(s)
7 The names of winners will be published in the July 21 issue of Maclean's
8 Photographs must have been taken in 1986
9 Contest is open to Canadian residents only
10 Contest is open to amateur photographers only Employees of Maclean Hunter and their families employees of Via Rail Canada and their families and employees of Key-Porter Books and their families are not eligible
11 Judges decision is final Prizes must be accepted as awarded
12 Entries must be mailed to Maclean's Photo Contest 777 Bay Street Toronto Ontario M5W 1A7

Maclean's accepts no liability for loss or damage of entries

KEY-PORTER BOOKS 1836 1986

# A new language debate

After Premier Robert Bourassa introduced the 1974 law that made French the only official language of Quebec, he described the ensuing public reaction as "one of the most difficult things I have ever faced." Some critics complained that the legislation went too far by imposing linguistic testing on children before entering English schools. Others maintained that it did not go far enough to ensure the primacy of French over other languages. In that highly charged political climate, Bourassa was shoved, spat upon and occasionally threatened by irate Quebecers. And the bitter emotions aroused by the debate ultimately contributed to his Liberal government's electoral defeat by René Lévesque's Parti Québécois in 1976. The PQ replaced the Liberal measure with a language charter that ensconced French as the primary language of government and commerce. Now, Bourassa's new Liberal government faces an unwelcome renewal of the language debate.

At issue is his government's decision to suspend prosecutions of merchants for posting bilingual commercial signs until the Quebec Court of Appeal rules later this year on the validity of the 1977 PQ legislation requiring that signs be in French only. In December, 1984, the Quebec Superior Court overturned the 1977 law, part of the Charter of the French Language known as Bill 101, because it contravened the Quebec Charter of Human Rights and Freedoms. PQ Leader Pierre Marc Johnson, then justice minister, subsequently asked Crown attorneys to delay prosecution of offenders until the Court of Appeals heard the government challenge. But now, led by Johnson, Péquistes are demanding that the Liberals continue prosecutions. Declared Johnson: "The law is the law until it is changed, and it must be obeyed." But, said Justice Minister Herbert Marx, who is in charge of prosecutions under the charter, "we are going to wait for the court to declare before we do anything."

Indeed, although the Liberals will not prosecute offenders with bilingual signs, the premier confessed last week to Quebec City broadcaster Pierre Bourgault that the bilingual sign issue is a "damn problem to which I have no solution." Still, Bourassa's Liberals are preparing to deal harshly with other offenders. This week charges will be laid against more than 25 Quebec companies that are continuing to display English-only signs despite repeated government warnings. The measure amounts to the biggest single wave of prosecutions ever against alleged language offenders. Marx would not comment directly on the charges. But he told *Maclean's*, "We plan to make it clear that non-French, unilingual signs are unacceptable to this government."

The Liberals, who had hoped to sidestep debate on the language of public signs until the Court of Appeal ruling, blame two provincial civil servants for raising the issue again. Jean Martucci, chairman of the Conseil de la langue

*Johnson: a demand for prosecutions over bilingual signs*

It's hard to tell business from pleasure.

RAMADA RENAISSANCE. INTERNATIONAL HOTELS

Come up to Club Level at Ramada Renaissance Hotels. It takes the stress out of business travel. In this hotel within a hotel, our specially trained staff provide extra service while you unwind in the peace of the Club Room. Membership is not necessary. Everyone staying at Club Level is welcome.

**Vancouver**
Panoramic view steps from Stanley Park.

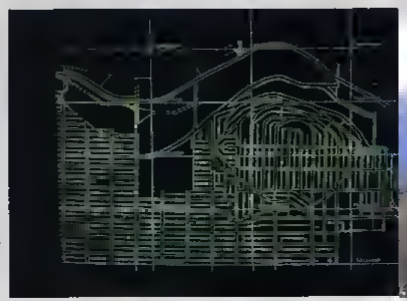
**Edmonton**
A luxury hotel in the heart of downtown.

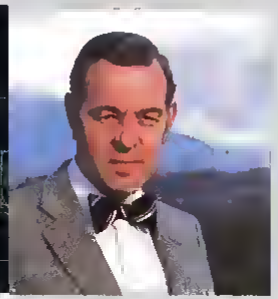
**Saskatoon**
The city's best in a downtown park setting.

**Toronto**
International dining, exceptional business facilities.

Call toll free: Ontario & Quebec 1-800-268-8930. Toronto (416) 485-2610. All other provinces 1-800-268-8998.

# Digital has it now.





The Municipality of Burnaby, British Columbia, faced an all too familiar problem — cut back spending but improve services to taxpayers.

The solution: increase productivity and performance by developing Burnaby's computerized mapping program into a complete information system. And ask Digital to do it.

"By clustering VAX computers and capitalizing on Digital's networking capabilities, we were able to give every department that requires information, access to a central mapping and statistical database. Then we went a step further and integrated our financial and mapping services," explains Mel Shelley, Municipal Manager.

"Now statistical and geographical data can be 'pictured' on a single map or in the more traditional formats. This integration puts all the management and planning information for smart decision-making quickly into the hands of the many people who need it. And there's more on the agenda yet."

## "Digital VAXclusters and networks helped the Municipality of Burnaby become a model of planning and spending efficiency."

If you'd like to know more about Burnaby's decision to grow with Digital, or discover how Digital can provide a solution for you, write Digital Equipment Canada Limited at P.O. Box 911, Station U, Toronto, Ontario M8Z 5P9.

digital

DIGITAL EQUIPMENT OF CANADA LIMITED

Digital, VAX, VAXcluster and DECNET™ are trademarks of Digital Equipment Corporation.

française, which advises the provincial government on language matters, told a news conference in March that more and more Quebecers are ignoring the French-only sign law because the government is not enforcing it. Martucci said, "It is dangerous to let a law crumble without reaffirming it or adjusting it, especially when its fundamental objectives rally the entire population." Then, last month Gaston Cholette, president of the Commission de protection de la langue française, the province's language watchdog, told a news conference that his agency had stopped investigating suspected infractions. Any further inquiries, Cholette explained, would be "absolutely useless, inefficient, inappropriate and inopportune" because the Liberals had stopped prosecutions. Last week, after Cultural Affairs Minister Lise Bacon told reporters in Quebec City that the commission's actions bordered on "insubordination," Cholette announced that he had told inspectors to end the moratorium on investigations and "resume normal activities"—a measure that will include investigations of merchants with bilingual signs.

Still, the opposition Péquistes have been careful not to indulge animosities caused by the renewed language debate. Johnson, who initially suggested the Liberals were risking a return to the "tensions" of the 1960s language debates, later refused to discuss the issue in public because, said one aide, "We have no wish to inflame passions." Even within the PQ, some supporters have openly declared support for the principle of bilingual signs. Said anglophone Donald Waye, a twice-defeated PQ candidate on Montreal's West Island: "As long as French is equal or predominant, it is crazy to refuse other languages."

Montreal's 520,000-member English community has also reacted in low-key fashion. Many anglophones, fearful of a return to the vitriolic disputes of the 1970s, now vigorously denounce the principle of English-only signs. Said an editorial in *The Downtowner*, an English-language Montreal weekly newspaper: "It falls to Quebec Anglos to complain as vociferously now against new English-only signs as our community did against French-only signs. Spurn them for they are dangerous to your health and happiness." Equally telling, Michael Goldbloom, president of the English-rights group Alliance Quebec, said the organization "does not support the exclusive use of English and does not represent those who do."

Bacon investigations

For his part, Bourassa is banking on the hope that quick and decisive government action will allow him to avoid a prolonged debate on language. Last week Education Minister Claude Ryan announced that the government will amend the 1977 language charter to allow children of parents educated in English in other parts of Canada to attend English-language schools in Quebec. The measure will affect between 1,000 and 1,500 schoolchildren who have been illegally enrolled in English schools since 1977. Said one aide to the premier: "It is a way of saying it is time for Quebecers to put the past behind and forgive." And, the Liberals clearly hope, to forget.

—ANTHONY WILSON-SMITH in Montreal

# Jaguar Sovereign
## Flawless elegance in an imperfect world.

Where others boast mere luxury, Jaguar Sovereign offers pure elegance and classic form. Where more austerely appointed automobiles tout their performance strengths, Sovereign simply lays claim to an engineering philosophy dedicated to the pursuit of automotive perfection.

Endowed with Jaguar's advanced double overhead cam, electronically fuel injected six, Sovereign delivers smooth, whisper-quiet, responsive power. Four-wheel independent suspension, power disc brakes, and power rack and pinion steering give Sovereign a degree of athletic agility beyond the expectations of the most demanding drivers.

Driver and passenger compartments are appointed in a manner totally complementary to Sovereign's superb handling characteristics. There is no hint of austerity here, no evidence whatsoever that performance considerations have superseded your need for precious creature comforts.

Rich walnut veneers grace the dashboard and driver's console. Sensuously smooth leathers are hand-fitted to front and rear seat facings by artisans whose knowledge of their craft is exceeded only by their quest for perfection. Electrical amenities include power windows, door locks, sun roof, and mirrors; a self-regulating environmental comfort system; cruise control; an AM/FM stereophonic tuner and cassette deck; and a multi-function on-board trip computer.

Extensive factory quality control programs and exhaustive North American testing have resulted in the most dependable line of Jaguars ever built. No idle claim, but a fact supported by a new warranty that is among the finest in the world. Please ask for details.

For more information on the Sovereign or other fine Jaguar cars, contact your nearest Jaguar dealer, or send your business card to Jaguar Canada Inc., Indell Lane, Bramalea, Ontario L6T 4H5.

JAGUAR
A BLENDING OF ART AND MACHINE



# RAMSES EXTRA
# EXTRA WHAT?

Extra is for the Extra protection you get from the first condom ever to be lubricated with a medically-approved spermicide.

It means the Extra quality of individually electronically tested condoms for Extra reliability.

It's the Extra satisfaction that goes with knowing that you've made the most sensible possible choice.

It all adds up to Extra confidence. That's what.

**RAMSES EXTRA**
**They're not called "Extra" for nothing.**

*Ramses Extra is available without prescription at all drug stores. While it should not be considered a complete substitute for the use of a condom and separate vaginal spermicide, it does offer important extra protection without extra trouble.

Julius Schmid of Canada Ltd
Scarborough, Ontario

*Getty introducing an element of uncertainty into the electoral equation*

# On the line in Alberta

The Conservative campaign commercial shown on Alberta television opens with black-and-white film of an old football game. It is the 1956 Grey Cup in which the Edmonton Eskimos beat the Montreal Alouettes. The leader of the championship Edmonton squad, a rangy 23-year-old quarterback named Don Getty. Cut to 1986, a still lean and athletic Getty, now 52 and premier of Alberta, is tossing a football back and forth with his two grown-up sons. As Alberta's May 8 provincial election approaches, the message to voters from the governing Conservatives was clear: only a man with Getty's proven leadership ability can guide the province through its current economic hard times. But Alberta's small opposition parties ridiculed that assertion. "You were a great football player," conceded New Democratic Party Leader Ray Martin to NDP campaign workers. "And Don, it's nice that we remember the 1950s. But Don, my friend, this is the 1980s." A lapel pin worn by some New Democrats made the point more bluntly: "Sack the Quarterback."

Despite the opposition jibes, Getty is widely expected to win his first election as Conservative leader since taking over from Peter Lougheed last November, maintaining the party's commanding majority in the provincial legislature. The Tories hold 75 of the existing 79 seats, while the NDP and the right-wing Representative Party hold two each. A Conservative poll taken in the first week of the four-week campaign indicated that while 50 per cent of respondents said they were undecided, between 60 and 70 per cent said they would support the Tories.

But a weakening economy in Alberta has introduced an element of uncertainty into the electoral equation. Political observers note that this is the first hard-times election in oil-enriched Alberta since 1971, when Lougheed engineered the defeat of a 36-year Social Credit dynasty. The all-important oil industry, hit hard by the sharp drop in international oil prices to $11 (U.S.) last week from $29 at the end of last year, has already suffered about 3,000 layoffs this year. As a result, the Tories have stopped criticizing the federal government—now run by fellow Conservatives—and concentrated on the local economic crisis. Ottawa-bashing, said University of Calgary political scientist Roger Gibbins, "has been a characteristic of provincial politics for so long that its absence is striking."

Getty has also promised government aid for industry. Recent pledges, a $400-million program to aid the oil sector, agricultural aid worth $576 million and $2.8 billion for capital works projects that Getty promised would create up to 10,000 jobs. Another Getty campaign promise—10-year government loans to small businesses at a nine-percent annual interest rate—pleased even avowed free enterprisers. Said Red Deer package courier James McMath, 43: "It's something this province needs. I have always been a Conservative—deep in my heart I'm a free enterprizer."

In the long term, Getty said, he wants to diversify the economy to avoid the boom-and-bust cycle associated with resource development. Responded Liberal Leader Nick Taylor: "If they couldn't do it in good times, how will they do it in bad?" A few days after Getty's promise of government loans to business, the New Democrats restated its more generous policy—financing at six per cent over 20 years. The NDP has also proposed placing a minimum provincial tax on income over $50,000 and building a $927-million high-speed rail link between Edmonton and Calgary. For his part, Representative Party Leader Ray Speaker—a former Social Credit MLA—has called for more government aid for embattled farmers.

Both opposition parties recognize that their chances of forming a government are, at best, slim. "Albertans do not see an acceptable substitute for the Conservatives," admits Calgary Liberal candidate Sheldon Chumir. But they insist that the voters want a stronger legislative opposition to keep a watch on the Conservatives. With candidates in all 83 ridings, the NDP hopes to pick up one seat in Calgary and up to 10 in northern Alberta.

Political experts say the outcome of the election depends to a large part on personalities. Martin, 44, must live up to the memory of his popular predecessor, Grant Notley, who was killed in a 1984 airplane crash. For his part, Getty has established an image as "an honest, sincere guy trying to do a good job," says University of Lethbridge political scientist David Elton. But he must still prove to some voters that he can match Lougheed's skill as Alberta's government quarterback.

—CHRISTOPHER DONVILLE in Calgary

# THATCHER AT BAY

WORLD/COVER

When she spearheaded Britain's 1982 victory in the Falklands War, Prime Minister Margaret Thatcher appeared to be one of the most indestructible leaders in the Western world. And her overwhelming triumph in a general election the following year enhanced that enviable image. But last week, as the explosion of another terrorist bomb rocked London's West End, the Iron Lady's lustre seemed to be fading. This week, as she prepares to celebrate her seventh year in office, Thatcher's storied popularity has been badly eroded. Although she remains in firm control of the Tory party, said Edward Pearce, an editorial writer with the pro-Conservative *Daily Telegraph*, "the government is going into a spiral from which it won't recover."

**Mistakes:** The predawn bomb explosion on Oxford Street heightened the controversy currently surrounding Thatcher. That dispute arose after the prime minister strongly supported the American attack on Libya and allowed U.S. aircraft to fly from British bases to bomb Tripoli. One of the groups claiming responsibility for the West End attack was the Angry Brigade, a left-wing militant group that surfaced in the 1960s, which said it was acting "in retaliation for Britain's involvement in the American bombing of Libya." Although police privately discounted the authenticity of that claim, it fuelled fears that Thatcher's support for the U.S. strike had escalated the cycle of terrorist violence—and put Britons at risk from a new enemy. But the troubles buffeting the prime minister were already formidable. A recent series of tactical mistakes and backbench revolts raised serious doubts about her leadership, and even some of her most loyal supporters say that after 11 years as leader of the party the Iron Lady may have run her course.

Her role in the bombing of Libya may eventually prove to be her greatest error. Many Britons accused Thatcher of meekly accepting the demands of President Ronald Reagan. Three opinion polls conducted after the raid found that roughly 70 per cent of British adults disagreed with Thatcher's decision to co-operate with Reagan. And according to a national Gallup poll published by the *Telegraph* last week, 38 per cent of British voters would support the opposition Labour Party in a general election, compared with 33.5 per cent for the Tories and 26 per cent for the Liberal-Social Democratic Party (SDP) Alliance. Said Roy Hattersley, Labour Party deputy leader: "The people now realize that the prime minister's behavior has become both hardhearted and softheaded."

Thatcher continues to defend her policies and decisions with characteristic toughness and confidence. But many Britons now seem convinced that her pronouncements have a hollow ring. Since January she has suffered one bruising setback after another, highlighted by an embarrassing cabinet dispute over whether the financially ailing British helicopter company, Westland PLC, should be sold to U.S. or European concerns. The feud cost Thatcher two of her senior cabinet colleagues. Defence Secretary Michael Heseltine resigned, claiming that Thatcher was trying to prevent him from expressing his support for a European consortium that was bidding to buy Westland. Then, Trade and Industry Secretary Leon Brittan stepped down after Thatcher acknowledged in Parliament that he had authorized the release of a confidential letter that discredited Heseltine.

**Impact:** Still, many political observers say that Thatcher has a firm grip on the reins of her party. She has dominated Britain's political scene for too many years for most Tories to turn on her now, they add. At the same time, in her seven years in power Thatcher's personality and policies have already had a profound impact on British life. She has abolished controls on prices, investment and foreign exchange, sharply reduced the civil service bureaucracy, lowered taxes on high-income earners, sold off large parts of state-owned industry and attacked the power of big trade unions.

REX FEATURES/CP PHOTO PRESS

*Thatcher; Westminster (below): after seven years, an eroded popularity*

Moreover, many MPs say they are confident that Thatcher can improve her standing in time for the next election, which must be held before mid-1988. She has, in fact, recovered from a midterm crisis once before. In April, 1982, with interest rates, inflation and unemployment all rising, only one in four Britons expressed satisfaction with Thatcher's performance—the lowest approval rating for a British prime minister since the Second World War. But less than 18 months later her post-Falklands popularity helped to lead her party to a stunning re-election victory. The Tories won 397 of 650 seats in the House of Commons, leaving only 245 to Labour and eight to the Alliance—the Conservatives' biggest majority in 40 years.

**Dictatorial:** But for now at least, a growing number of Tories is questioning her leadership—and criticizing her government's close ties to the Reagan administration and its perceived role as a junior partner to the United States. In the aftermath of the Westland dispute, several of the prime minister's senior colleagues talked anonymously about her dictatorial nature. They also said that in future the Iron Lady would have to adhere to what several of them described as "collective responsibility"—consulting her ministers before she makes any controversial decisions.

Those remarks took on added significance in the events that followed. In February pressure from Tory and opposition MPs forced Thatcher to call off government-sponsored talks with the Detroit-based Ford Motor Co., which had been seeking to buy Austin-Rover, the passenger car division of publicly owned British Leyland. As Thatcher herself acknowledged, "there was far too much emotion" over the issue to proceed. Six weeks later Tory nationalists claimed another victory when the government shelved a similar plan to sell Land Rover, another Leyland division, to General Motors (page 30).

**Setback:** Thatcher suffered another humiliating setback last month when the Commons defeated a government bill to legalize Sunday shopping. Although the Church of England—traditionally known as "the Tory party at prayer"—had campaigned strongly against the proposal, Tory leaders in the Commons had insisted that they could rally enough rank-and-file Tory support to pass the measure. But when MPs voted on April 14, 68 Tories rebelled, helping to defeat the measure by a 296-to-282 vote. It was the first

time that Thatcher's government had been defeated in the House of Commons on a major issue.

Many longtime Tories no longer regard Thatcher's tough, confrontational style se an asset to the party. A *Sunday Times* opinion poll conducted late last year showed that 49 per cent of the electorate thought that Thatcher talked down to people and that she wse out of touch with ordinary Britone. Although 33 per cent of those eampled regarded Thatcher es a good leader in a crieis, only 18 per cent said that she understood the country's probleme, and a mere 15 per cent described her judgment as eound. Said Petrick Dunleavy, a lecturer on government effairs at the London School of Economice, "The government is tired and has run out of ideas."

**Doubts:** Even some of Thatcher's admirere express doubts that she will achieve what she has described as her ultimate goal the transformation of British society into a U S -style free-enterprise and entrepreneurial culture. Said Sir Geoffrey Chandler, a former Shell Oil eaecutive who is now director of Industry Year 1986, a government-funded campaign in support of industrial growth and renewal: "Some of the things this government has done were necessary. But on the whole I think her philosophy and diagnoeis are too narrow. She doesn't seem to understand the complexity of our probleme."

In fact, the problems are almost overwhelming. Forty years ago British imports and exports aceounted for more than one-quarter of all world trade. That figure has since slipped to 10 per cent. Meanwhile, the country's standard of living, second only to the United States in 1945, has fallen below those of all major industrialized nations except Italy. Not only that, but a 1985 survey by the European Management Forum, a Geneva-based think tank, ranked Britsin 14th among 28 industrialized and developing countries in terms of competitiveness. The report, based on interviews with 1,100 business leaders and economists, concluded that Britsin's "virtual specialization in low-value products" meant that it was rapidly losing ground to low-wage Third World countries.

**Ingrained:** At the same time, many analysts say that class consciousness and a lack of aggressivenese in business matters are too deeply ingrained in British culture for the country ever to regain its stature es a major industrial power. Said David Diehl, an American management consultant in the London office of Heidrick and Struggles, an executive search firm: "In the United States people grow up with the idea that if they work hard enough, they might one day become president of Ford." By contrast, added Chandler, "Britain is the only industrialized country in the world with an anti-industrial culture. You still hear parente tell their children that they are too good to go into industry." That cultural biae is reflected in the comparatively modest salaries paid to corporate executives. According to Diehl, a senior manager who is paid $100,000 in Britain could double or triple hie earnings by moving to the United Ststes—and many of them do.

*Children celebrating the Queen's birthday; Elizabeth with Prince Andrew: class consciousand an anti-industrial culture*

In the field of education, too, Britain lags behind many of its competitors. Although universities like Oxford and Cambridge continue to attract international scholars, the vast majority of Britons receive no post-secondary schooling of any kind. Only 13 per cent of 18-year-olds enrol in a university or technical college—a lower proportion than in every other Western European country except Portugal and Ireland.

**Education:** Thatcher's government has effectively reduced spending on postsecondary education by 10 per cent despite an increase of 65,000 in the number of students. And with the cabinet planning more cuts in the future, many observers say that education will be a major issue in the next general election, especially among middle-class voters. Said Chandler: "There is no justification whatever for seeing so few people trained at the higher levels. Until we have a higher percentage of young people in higher education, we will continue to have a built-in inferiority."

*Heseltine: challenging the Iron Lady's leadership*

But it is Thatcher's inability to ease unemployment that creates most of the opposition to her leadership. About 3.3 million Britons—13.3 per cent of the workforce—were out of work in March, a rate that has held more or less steady for the past three years. A 1985 study by the Paris-based Organization for Economic Co-operation and Development found that more than one million of that total had been out of work for more than a year and 500,000 for more than three years.

**Obsessive:** During her term in office, Thatcher has shown an almost obsessive desire to bring down inflation, whatever the cost of joblessness. In that, her hard-line measures have succeeded. After peaking at 22 per cent in 1980, inflation has dropped to 5.1 per cent and is still falling. But for many Britons, Thatcher's refusal to deviate from her economic convictions and policies reflects a disregard for the problems of the poor. Said Pearce: "She's a ferocious worker. But there's a deficiency of humane feeling about her."

*Kinnock: struggling*

Those concerns are reinforced by the increasing polarization between Britain's decaying industrial north and the more prosperous south. When Britain led the world in manufacturing a century ago, cities such as Manchester and Liverpool were industrial powerhouses, churning out steel, machinery and textiles for far-flung overseas markets. But one by one the United States, West Germany and Japan caught up with and overtook Britain in industrial power. Held back by obsolete production methods, outdated labor practices and severe overmanning in factories, Britain's industrial heartland entered a period of steady decline that still continues (page 29).

The economic stagnation of northern Britain is in sharp contrast to the widespread optimism in many southern areas. In London and the southeast, where most of the country's high-technology and service jobs are located, the unemployment rate last month was 9.8 per cent. Although that figure is relatively high by most standards, it is a major improvement over the 18.3-per-cent level recorded in the north and 21.8 per cent in Northern Ireland. Said Jeremy Beecham, leader of the Labour-dominated city council in Newcastle, where unemployment is 23 per cent: "Mrs. Thatcher is the personification of the north-south divide. She is displaying calculated indifference to our plight."

As the next election draws nearer, an increasing number of Tories are voicing similar doubts about government policy. Said Heseltine: "The Tory party has got to widen its horizons and remember its past." The 53-year-old former defence secretary, often mentioned as a replacement for Thatcher, added: "The Tory party has always believed in the wider national interest, and yet we see today large areas of unemployment, growing deprivation and dereliction in the inner cities and a concentration of financial wealth in the City of London. It adds up to a concern about the balance of policies."

**Opposition:** Tall, handsome and refined, Heseltine is the most senior Tory to denounce Thatcher's policies. But some more junior members of the party share similar views. Almost from the time that Thatcher entered the prime minister's residence at No. 10 Downing Street, she has faced opposition from so-called Tory "wets." They are MPs who say that the reduction of unemployment is a higher priority than trying to hold down inflation or government spending. Intended originally as a term of abuse, the label is now worn es a badge of honor by liberal Tories, including former prime minister Edward Heath and Energy Secretary Peter Walker—the only surviving "wet" in the cabinet. Said Walker: "Three-and-a-half million people having to be paid billions of pounds of benefits to produce nothing offends the pride of our country."

But Thatcher is also under fire from the other side of her party's political spectrum. The "radicals"—right wingers dissatisfied with the gradual pace of privatization and union reform—say that her policies have been too mild to create a full free-market economy. They also want her to launch a major essault on the welfare state, introducing free-market forces to such publicly funded services as health care and education. Said Tory MP Rhodes Boyson, a prominent right winger: "We have begun the redevelopment of personal responsibility in this country, but we haven't finished yet. We have to move on to increased choice in education, to lower taxes and to a closer look at the welfare state."

**Victory:** Other Tories have practical rather than ideological reasons for concern about Thatcher's policies. Although the party's huge election victory in 1983 brought a large number of new Tory MPs to Westminster, many of them represent constituencies that could easily revert to the opposition in the next election. To hold those seats, many MPs say that the government will have to develop policies that attract marginal voters rather than repel them. And in the absence of another Falklands War to galvanize British patriotism behind the government, some Tories say they doubt that Thatcher has the will or the ability to do that.

The growing strength of the Liberal-SDP Alliance, jointly led by David Owen of the SDP and David Steel of the

Liberals, also poses a major challenge for the Thatcherites. In past general elections the Tories often increased their vote count by arguing that a Labour victory would result in far-left economic policies and a weakening of national defence. But those arguments tend to lose effectiveness in constituencies where the major challenge is from the Alliance, a coalition of Liberals and moderate former Labourites formed in 1981.

**Moderate:** Currently, Alliance supporters are scattered too thinly over the political map for the party to have a chance of forming a government in the near future. But the Alliance has been taking away Tory votes in local council elections since 1983, gaining 205 seats while the Tories have lost 168. And in two-thirds of the parliamentary seats held by the Tories, the Alliance is in second place—a fact that has convinced many Conservatives that they will have to campaign on a moderate, centrist platform. Said Tory "wet" Robert Hicks, an MP since 1970: "The Alliance is making inroads in an area that has traditionally been a Conservative preserve. I think it's important that we return to that ground."

NETWORK/JB PICTURES

*British Airways office after bombing: heightened fears*

**Narrow:** The prime minister's problems have so far been containable largely because Labour has proved ineffective in opposition. Neil Kinnock, 44, who took over the party leadership in 1983, lacks experience in government. Although he is a seasoned orator, his opponents nicknamed him the "Welsh windbag" because of his verbosity and an occasional tendency to ramble inconclusively. One result: the Labour Party has held only a narrow advantage over the Conservatives in the opinion polls. In an effort to widen that lead, Kinnock has tried to shift his party's socialist policies toward the centre. And he has also attacked the so-called Militant Tendency, a small but vocal Trotskyist group within the Labour Party that has avowed revolutionary aims—including the forcible takeover of Britain's 200 largest companies. Kinnock's campaign has met with approval from most Labour supporters. But his strategy risks reminding moderate voters of the presence of extremists in the party.

Thatcher appears to recognize that she has a serious image problem. Recently, she has spoken more about the importance of helping those most in need—a policy that she labels "popular capitalism." In addition, her longtime friend Gordon Reece, the U.S.-based public relations consultant who helped to mastermind Thatcher's 1983 election campaign, has returned to London to try to reshape the prime minister's image. As a result of his coaching, she no longer shouts angrily in the Commons, maintaining instead a quieter, less shrill tone even under noisy opposition attack. Her hair style is softer, her makeup colors are warmer and her clothes are darker and more elegant—all in an effort to make the prime minister appear younger and less brittle. As she told a friend recently, "I may be prime minister, but one thing I will insist on is being feminine."

On policy issues, however, the Iron Lady tends to be uncompromising. "If we let the grumblers have their way we shall be bending and turning with every twist in the opinion polls," she declared at a recent meeting of the Tory party executive. "That is not this government's style, nor is it mine." In a *Times* interview later, she rejected charges that her handling of Westland and British Leyland had made her government appear to be accident-prone. "We have not lost our sense of direction or momentum or intention, and we are going on in precisely the same way. So that is that."

*London market: assailing a regime both 'hardhearted and softheaded'*

JACON SUTTON

**Resolve:** In fact, Thatcher's recent political problems seem to have strengthened her resolve to become the first prime minister in British history to win three consecutive terms. By any measure, that would be a remarkable achievement for a grocer's daughter from the small town of Grantham, Lincolnshire, who, unlike previous Tory leaders, is not a member of the landed gentry or the traditional governing elite.

As election year approaches, her basic political objective is unchanged. "I have always regarded part of my job as—and please do not think of it in an arrogant way—killing socialism in Britain," Thatcher said recently. But in the months ahead the Iron Lady will have to repair her own damaged credibility if she hopes to convince Britons of the continuing urgency of that crusade.

—ROSS LAVER with PHILIP WINSLOW and IAN MATHER in London




THE ONE ADDRESS MORE FOREIGN BUSINESSES HAVE IN COMMON.

NEW YORK STATE.

**It's simple. The state that has more foreign business is the state that offers foreign businesses more.**

A lot more. In fact, only New York State offers foreign businesses the greatest single source of capital. And, you'll find the largest and richest markets at your doorstep.

Moreover, you'll find an unsurpassed transportation system, a variety of quality lifestyles, and a great diversity of locations—from the brisk city to quiet rural lands.

Best of all, you'll find a total environment where foreign business is welcomed and thrives. So, if you want to do more for your business, it only makes sense to come to the state that offers business more.

NEW YORK STATE...
THE #1 STATE IN ATTRACTING FOREIGN BUSINESS.

To find out how New York State can do more for your business:

PLACE YOUR CARD HERE.

Clip and send to
New York State Department of Commerce
World Trade Centre • 60 Harbour Street
Toronto Ontario • Canada M5J1B7
Tel 416-868-6935

BUSINESS ♥ NEW YORK

MAC 05/86

MERKUR XR4Ti

Free-Spirited!

**The Merkur Card. 3 Year Unlimited Distance Protection**

The Complimentary Merkur Card entitles you to one of the most comprehensive protection plans in North America or abroad and covers • all scheduled maintenance • replacement of items necessitated by wear • all repairs to defects in factory material or workmanship • towing and transportation assistance.

**An Outstanding Combination of Performance, Style and European Touring Sedan Comfort.**

• Merkur's overhead cam engine can accelerate it from 0-96 6 km in 7 8 seconds • Its fully independent suspension mated with Pirelli P6 tires can achieve .800 g's on the skid pad • Superb aerodynamic-design and ergonomics allow the Merkur to be driven with effortless precision • From its thickly-padded steering wheel to its textured rocker switches, XR4Ti's interior establishes a relationship of confidence between driver and machine

While the Merkur has garnered numerous glowing critiques from Road & Track, Car & Driver, Motor Trend, etc , you must experience it for yourself Only then will you truly appreciate its great driving characteristics not to mention its more practical virtues of being a "Complete Car" inside and out

**A superb German-engineered sports sedan that gives you the closest thing to cost-free driving right up to 1989*.**

**So complete, for 3 years virtually all you pay for is gas.**

**One of the most completely equipped cars in its class – ALL STANDARD –**

• A potent 2 3 litre 4 cylinder OHC Engine uses a Garrett To3B "blow through" Turbocharger and Electronic Fuel Injection • 5-Speed Manual Overdrive Transmission • Variable ratio power rack and pinion steering • Cast aluminum alloy wheels • Pirelli P195/60 HR-14 tires • Traction-lok rear axle • Adjustable front seats • Dual electrical remote control heated mirrors • AM/FM Stereo Cassette • Air Conditioning • Power Windows and Door Locks • Rear Window Wiper and Washer • Tinted Glass

**ADDITIONAL PROTECTION AT NO EXTRA COST**

5 Year Unlimited Distance **Duraguard Warranty** Complete Protection against corrosion perforation

Plus

4 Year/80,000 km **Major Component Warranty**

**Imported from Germany Exclusively for Lincoln Mercury.** **Quality is Job 1.**

*3 year Unlimited Distance Merkur Card Coverage from date of purchase For more information and your personal brochure please contact 'Merkur Headquarters', 5444 Timberlea Blvd , Mississauga, Ontario L4W 2T7 or call 1-800 268-0498


# A REGION TRAPPED IN POVERTY

COVER

Sitting in a scuffed chair in the Bierley Social Centre, her only escape from a drab existence in a Bradford, England, public housing complex, Nancy Johnson assessed the prospect of a life of poverty "What I see now is going to be there forever," she concluded Johnson, 29, struggles to raise six young children—three of them left to her by a sister-in-law who committed suicide—on £134 ($288) a week in unemployment and welfare benefits Her husband, Roy, has not had a job in four years, and he has stopped looking for one He is one of Britain's 3 3 million unemployed—out of a workforce of 20 8 million—and one of a growing number of urban poor who feel abandoned by their country "If you look at it realistically," says Nancy Johnson, "he'll never work again, and it breaks my heart"

**Desperation:** The Johnsons' situation is a familiar one in Britain's northern cities Forty years ago, when Bradford was called the "wool capital of the world," children would awaken to the echo of clogs on pavement as an army of women marched to work in the city's mills Now, factories that once maintained workforces of about 5,000 apiece employ only a few hundred or are entirely empty—their windows smashed and their brown brick walls turning to dust For tens of thousands of once-productive Britons now on unemployment in Bradford and in neighboring northern communities, the pall of factory smoke has been replaced by a shroud of desperation

Many of Bradford's unemployed blame Prime Minister Margaret Thatcher for their problems "I'd love to see her thrown out," said Geoffrey Thomson, 21, who has been without work for three years "She's only for the rich, not the poor" Thomson's friend Michael Ingram said that his cynicism transcends party politics "I don't think it matters what government is in," added Ingram "It's still a load of cock and bull they give us. It's all bloody lies" Robert Harris supplements his £30 a week ($64) in unemployment benefits by "busking"—playing Scottish reels on the harmonica in a damp underground walkway in the city centre "Some people go by and shake their fists and say, 'Get off your lazy backside and get a job,'" he said "But one guy goes by and yells, 'It's Maggie Thatcher that's done this to you'" Declared Henry Whittingham, a fieldworker in the Bradford Centre Against Unemployment "We've lost a generation People in their mid-20s, the second generation coming up, these are people without dreams."

**Bitter:** Officially, 15 8 per cent of Bradford's 464,000 citizens are unemployed, a figure two percentage points higher than the national average And in some inner-city areas the figure is as high as 50 per cent At Bradford's government-funded Job Centre, 10,000 people each week look for work But many jobs offered through community service programs are passed up by job seekers either because of low wages, hopes that something better will turn up or fears that they will lose their unemployment benefits "At times I get bitter," said Thomson, who visits the centre twice a week "I just feel sometimes it's a waste of time to get out of bed, especially for 27 quid [$58] a week" Declared Janny de Ryckman, a policy development officer with the city's metropolitan council "Nobody dies on welfare, nobody starves But I wouldn't want to minimize it. People are suffering."

Many inhabitants of Britain's northern cities—like the once-great industrial centres of Manchester, Liverpool and Birmingham—feel betrayed by a changing world that has left them behind As traditional local industries such as textiles and engineering declined or shifted south, they were not replaced by other enterprises And local governments have had great difficulty in retraining displaced workers According to a 1985 report on Britain's inner cities commissioned by the Anglican Archbishop of Canterbury, Robert Runcie, up to 25 per cent of Britons live on the edge of poverty or below the threshold of an acceptable living standard "The exclusion of the poor is pervasive and not accidental," the report said "It is not a simple story of economic decline and physical decay in the inner city. It is a complex story of mismatch between people, skills, housing and jobs that planning failed to overcome"

JEREMY NICHOLLS/IMPACT

*Children in Bradford: hard times, racial tension and a bleak future*

**Tensions:** Among the more visible tensions that unemployment has created is that between the 400,000 whites and 50,000 Asian immigrants in Bradford In the first 15 weeks of this year Bradford police recorded 10 serious attacks on Asians' property as well as a number of school-yard assaults on Asian children. That, along with the poverty of people like Nancy Johnson and her neighbors, is unlikely to improve soon in a city designated in a 1984 report by its own local council as a "catastrophic" unemployment centre

—PHILIP WINSLOW in Bradford

# AN INDUSTRY IN TROUBLE

COVER

Maclean's *Business Editor Patricia Best went to Britain to examine the most ambitious of Margaret Thatcher's attempts to change the face of modern Britain—her controversial plan to remodel the economy and industry There, Best looked particularly at the country's industrial flagship—the automotive industry. Her report.*

For Christopher Hindmarsh, a 25-year-old pipe fitter from the gloomy city of Newcastle in England's northeast, a second industrial revolution is under way Two months ago he left a job with a local, fully unionized shipbuilder to work for £30 ($60 Cdn ) a week less at a new automobile plant where there is a no-strike agreement and only 25 per cent of the employees are organized His new employer is Nissan Motor Manufacturing UK Ltd , a subsidiary of the giant Japanese car company and the first Asian automaker to manufacture in Britain. And Nissan's Newcastle employees—far from complaining about lower salaries and diminished union strength—say that they are reclaiming their future in a country in the grip of a severe industrial malaise.

**Shaken:** Hindmarsh is one of 267 employees at a plant in which many day-to-day responsibilities rest with the workers themselves "I came for job security and a chance to get on," he said. "That's what the emphasis is on here " His view, like Thatcher's ambitions for a reinvigorated economy, represents a new breeze blowing across a land where mass-production technology was invented in the first industrial revolution more than a century ago But the Nissan experience and others like it represent only a slim measure of hope in a country where deeply entrenched management styles, ownership patterns and labor practices have failed to keep up with those of overseas competitors Seven years of the Thatcher government's efforts to stimulate reform have shaken British industry, weakened labor unions and encouraged such initiatives as the Newcastle Nissan plant. But the manufacturing sector in Britain is in a serious decline—investment in manufacturing is 18 per cent lower than in 1979 Said Lord Aldington, chairman of the House of Lords committee on overseas trade which last October issued a pessimistic report on Britain's manufacturing prospects. "I do not think all is well "

The upheaval—and criticism—provoked by Thatcher's policies are reflected in Britain's automotive industry, which remains the bellwether of the country's manufacturing sector Where British automobiles once reflected unmatched design, engineering and workmanship, the industry now is foundering It has been reduced by 900,000 jobs in the past 10 years, 40 per cent in the Thatcher years, to an employment total of 563,000 In 1955 Britain was second only to the United States in car production, but the country has fallen behind Japanese, West German, French, Italian and Spanish auto producers And in 1985 the British themselves were buying imports at the rate of 60 per cent of the total number of domestic vehicle sales—higher than any other major industrialized country And they import a high volume of vehicle parts from abroad Said Mary Berg, chief economist of the Society of Motor Manufacturers and Traders Ltd in London "I'm at a complete loss when people ask what is a British car "

Day: giving an outsider a free hand and orders to repair a troubled company

As well, Britain's membership in the European Community (EC) has produced other problems for its auto industry Cars, trucks and components made in Europe can freely enter the British market, where they have handily beaten the British on quality, style and price And contributing further to the industry's troubles is the open-door policy toward the Japanese Unlike its European neighbors, Britain has allowed Japanese imports to take about 12 per cent of total annual new car sales Meanwhile, British-produced vehicles must struggle to compete in a cutthroat European market Last year demand for new cars in the 12 EC countries amounted to 10 million The industry built 12 million, exporting the surplus But it has the capacity to build 14 to 15 million cars a year Declared Graham Day, assigned to take over on May 1 as chairman of Coventry-based British Leyland (BL), Britain's biggest-selling car company "The world produces more things on four wheels than the world currently requires, and the consumer is really spoiled for choice."

Under the free-market economics embraced by Thatcher, the forces of supply and demand should correct the oversupply situation by weeding out borderline car companies But national pride is a major factor in the auto industry almost everywhere Only the United States and Britain have actually reduced their productive capacity West Germany, for one, makes as many cars as it did 10 years ago State ownership of much of Europe's auto industry allowed companies to operate inefficiently for much of the late 1970s and early 1980s Although there are major private sector companies—such as Italy's Fiat, France's Peugeot and the European subsidiaries of American-owned Ford and General Motors—many European manufacturers, including BL, are government-owned and subsidized. As a result, business decisions are complicated by other national interests, including employment Mergers with rival automakers are difficult, and parts production and vehicle assembly are jealously guarded

**'Hungry':** Still, many European manufacturers recently have been forced to cut back production, restructure operations and develop new models because there are still too many of them competing in the same market Italy's Fiat and West Germany's Volkswagen have achieved spectacular turnarounds in recent years and now make profits But the publicly owned former giant BL is now only the seventh-largest auto producer in Europe. It produces the wrong kinds of cars for the luxury market and not enough more modestly priced cars to make a profit on high-volume production For the British government, the 99-per-cent owner of BL—which includes Leyland Trucks and the Land Rover-Range Rover division—the financial drain has been enormous. Years of losses led the government to buy into BL in 1975 Since then the public purse has underwritten the massive $7 6-billion investment required to develop new production lines and new models Last June the Thatcher government agreed to advance the company another $3 2 billion for 1986 But, said Robert Barber, motor-industry analyst for the London stockbrokerage firm of Phillips & Drew, "the belief that it will always be propped up by government does not foster lean, hungry entrepreneurial management."

Jaguar XJ12 Vanden Plas: finding success through private ownership and overseas export sales

Barlow cites the success of Coventry-based Jaguar since the firm was spun off from BL in 1984 and "privatized" Last year Jaguar reported a profit of $245 million after years of losses, mainly because of booming export sales of the luxury automobile to North America And Thatcher's free-market approach clearly calls for privatization of Leyland In fact, both Ford Motor Co. UK Ltd and General Motors Ltd indicated their interest in buying parts of the company Selling off the firm would remove a financial albatross from Thatcher and advance her privatization program. But her plans to do so have created storms of controversy The prospect of selling a British household name to foreign interests sparked outrage not only among opposition members but among Thatcher's own parliamentary backbenchers—many representing Midlands constituencies where BL plants are located Following the protests, the sale of the company to private interests was called off BL withdrew Rover from the package and General Motors was no longer interested

**Seized:** The BL affair, which followed the controversial sale last February of 25 per cent of the shares of Westland Helicopter Co to U S defence contractor United Technologies Corp and Fiat of Italy, had touched a patriotic nerve "The government lost in terms of public opinion because they were perceived as neglecting the British interest," said John Smith, the Labour Party's parliamentary industry critic, in an interview But there were other forces at work as well Mick Murphy, a union leader representing 110,000 autoworkers of the Transport and General Workers Union, said that he personally favored selling part of BL to Ford, but the Labour Party seized the opportunity to challenge the Thatcher government. His union and other auto-industry unions opposed the sale "because there is more at stake than one or two companies or one or two workers," said Murphy "The long-term objective is a new government."

**Selling:** Now, BL faces an uncertain future Last March Thatcher handpicked Graham Day for the post of BL's chairman, replacing part-time chairman Sir Austin Bide Day comes from British Shipbuilders, where in three years he created 25 operating companies out of the sprawling nationalized organization and sold them to private investors He also laid off or retired 31,000 workers and 68 top executives His role at BL will be similar Said Day, who has demanded a free hand from the government "I says what's savable and I accept reality—we must do something with it." As a first step, Day said that he plans to cut layers of management at BL Then, he will determine the prospects for each of BL's five divisions Indeed, late last week the Thatcher government announced that it was no longer considering four competing bids for the marginally profitable Land Rover operation, but

rather would leave the matter of selling off the business to Day. And industry observers say that Austin Rover will be sold in the next few years, likely through a public share offering.

**'Suicidal':** When Day's appointment was announced, critics accused Thatcher of undermining employee morale by hiring an outsider. Said Paul Sleigh, deputy director of the independent Automotive Research and Management Consultants: "There has been a tremendous effort made within British Leyland." Opponents of Thatcher's privatizing plans also cite improved industrial relations in an industry that directly and indirectly employs 1.6 million workers. The "suicidal" union stands deplored by some are no longer advocated by leading labor leaders. But they continue to occur. In Newcastle last month—10 km from the Nissan plant—officials at privatized shipbuilder Swan Hunter were forced to launch a newly completed ship in the middle of the night to avoid striking workers. The launch was crucial to winning a $250-million government contract, which hinged on the company proving it could complete ships on deadline. Said Mick Murphy: "The difficulty is getting the labor force to recognize you don't confront Ford the way we did 20 years ago."

For supporters of Thatcher, that attitude is a result of government policies that promote free enterprise over employment and nationalism. But others ask whether the hard lessons of economic recession were not more effective in changing British attitudes. "That is the $64,000 question," said Garel Rhys, professor of economics at University College in Cardiff and an adviser to the House of Commons select committee on industry since 1976. "Is the reduction in strike incidence a fear of losing your job or a change in attitude?" Said Harry Hooper, chairman and chief executive of auto-parts maker Armstrong Equipment Ltd., which employs 4,000 people—down from 8,000 in 1980: "It was really dire circumstances which forced unions and management to increase their competitiveness."

The circumstances have generated improved efficiency. Productivity per man on the Austin Rover line that assembles the Metro model is the best in Europe. Industry unions have conceded more flexible job classifications, including a January agreement with Ford to reduce the number of job classifications for manual workers to 58 from 516. Still, Nissan has only two shop floor job classifications at its Newcastle factory. And it has to deal with only one union, rather than the 12 at Ford. Nissan will be making cars for $1,200 to $1,800 less than those produced at Ford's Dagenham plant in East London, which has faced union and production problems for decades.

**Skilled:** For Nissan, the plan was simple: it chose a site without a history of automaking in a hard-pressed region with 22 per cent unemployment—almost twice the national average. It carefully screened 11,000 applicants for 500 positions available by this summer, testing for a willingness to do things differently. Almost every person hired came not from the ranks of the unemployed but from another skilled job. Said Nissan's director of personnel, Peter Wickens: "We promised that things would be done differently."

**Training:** The new approach involves providing the same benefits package for management and production-line workers, annual salaries rather than hourly pay, no clocking in and equal access to the company cafeteria and parking lot. Declared Brian Kemp, a 35-year-old production supervisor who spent three months training with Nissan in Japan after leaving Austin Rover: "Here, it is mutual trust." Still, there are skeptics. Observed Rhys, the Cardiff economist: "The Japanese got these practices from the chemicals industry in Britain during the interwar years. We used to call it paternalism."

The entrenched resistance to changes in ownership, management and labor habits is acknowledged by Nissan's Wickens. He added, "While we can't change what is happening throughout the United Kingdom, we can change our bit of it." Still, national attention has focused on the initial phase of Nissan's investment and its plans to employ 3,000 people and produce 100,000 cars annually for the European market by 1990. Said union leader Murphy: "If Nissan treats its people well and they see they don't need unions, that means we will have to present unions in a totally different way." Chris Hindmarsh, the former pipe fitter who chose Nissan's new way, put the case for change in a slightly different way. He declared, "It's suicide to keep going the way they are."

*Nissan assembly plant in Newcastle: picking the right location, doing things differently, developing mutual trust*

THE DARK TASTE
THAT ECLIPSES EVERYTHING.
BACARDI DARK RUM.

A RICH CARIBBEAN TASTE WITH THE SMOOTHNESS OF BACARDI

You may buy the Honda Accord because it captures perfectly the idea of what a family car is all about. You may, however, remember it as something else.

Throughout its finely appointed interior, you'll find more room than ever before. Even in the trunk.

When you further consider its rather lengthy list of standard features, like the 5 year, 80,000 km No Small Print Warranty on major components,* you'll find the new Accord has everything any family member could possibly need.

But the new Accord also has a larger engine. It's also the first front wheel drive car that sports a double wishbone suspension front and rear.

So, the Honda Accord also promises everything the family driver could ask of it. Plus all the selfish pleasures the performance purist could desire. Until now a car like this seemed an impossible contradiction.

Now everyone's agreed. It's an instant classic.

*See your dealer for details.

HONDA

The World's New Accord

# It Probably Won't Be Remembered As The Family Car.

Remember your seatbelts. It's a simple fact of life.

# The aftershocks of a night attack

The speculation wes part of the aftershock of violence and political protest over ths April 15 U.S air strike against Libya Last week a growing number of analysts said that the American hombing raid may havs lad to a severe curtailment of ths once-unchallenged domestic power of Libyan leader Col Moammar Khadafy Reports from Tripoli and other eapitals said that Libya now appeare to be ruled not by ons man but by five: a military junta including Khedafy, Maj Abdul Salam Jalloud, his pro-Soviet deputy, and Commandant Hweldi al-Hamedi, the deputy chief of staff As evidsnce mounted that Khadafy's grip on the desert nation of 3 5 million may have loosened, Middle East analysts noted that the Lihyan leader hed not appeared at public rallies or press conferences since the raids Jalloud gave Western correspondants Libya's formal response to ths bombing And al-Hamedi rapresented the government at the funeral for civilians killed by it

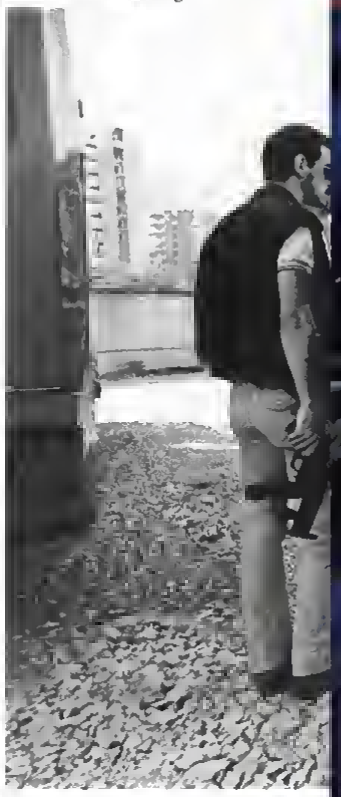
Safia Khadafy: vengsful

Western reporters, most of whom were expelled from Libya last week, have not sesn Khadafy since the American attack. Said ons Western diplomat: "There is some evidence that Khadafy's position has been diminished in the collective leedership but it still seems he is the major leadsr." At the same time, diplomats in Libya said that the country's oil revenuss, $30 billion (Cdn.) in 1980, could fall to less than $6.9 billion this year because of the worldwids decline in oil prices, creating shortages of food and other hesic commodities The reductions could lead to domestic unrest Khadafy has also alienated elements of the armed forces by announcing that he planned to replace them with "an armed people"

Still, othsrs predicted that the man whom Reagan described as a "mad dog" wea in no imminent danger of losing power Whils hs is unpopular with soms mambers of the military and the middle class, to most Libyans he appears to continue to be a hero Lest week fresh posters of Khadafy were plastered onto the stons walls of Tripoli, while on Libyan television file footage showed the colonel assuming his classicly dramatic poses befors foreign crowds and in local factories Soms observers said that the formation of the junta might have been an attempt to protect him against a coup And Khadafy is well-known for his retreats to his beloved desert in times of difficulty Khadafy allies pointed out that one difficulty may have been highly personal Libyan authorities said that Khadafy's 15-month-old adopted daughter, Hana, died after heing injured in the raid In fact, at a press conference Khedafy's wife, Safia, tearfully vowed revenge against the American pilot that bombed her home

But the strike on Libya continued to make ripples that spread well beyond the Libyan leader or even his heleaguered country In Western Europe last week a series of bombings, the murder of a Briton in France and another shooting in North Yemen seemed to be reprisals for the attack And in one country after another governments began taking actions against resident Libyans West Germany expelled a number of Libyans after officials said they hed obtained solid evidance that Libya orchestrated the April 5 bombing of a Berlin discotheque, which killed a U.S serviceman and a Turkish woman and injured 230 others Then last week it gave Tripoli seven days to reduce the staff of the Libyan People's Bureau in Bonn to 19 from 41 The West German government also announced that in order to make American residents less obvious terrorist targets, it was replacing their distinctive U.S automobile licence plates with West German ones And streets populated mostly by Amsricans may he closed

Other countries took similar steps In Copenhagen the Danish government expelled thres of the seven diplomats at the Libyan mission The Spanish government deported three members of the Libyan Embassy along with eight other Libyans whose actions, a spokesman eaid, were "against state security." At the same time, Britain told 22 Libyans, most of them student organizere, to leave. Then—even as the British ambassador to Lebanon, John Grey, helped with the evacuation of 32 Britons from Moslem-dominated West Beirut—the British government ordered deported more than 300 aviation students as well. Declared Home Secretary Douglas Hurd: "I will not hesitate to use powers to deport other Libyan nationals if evidence is received of their involvement in activities which might endanger national security."



The anti-Amerlean demonstrations that were held in many cities after the raid ended fairly quickly but the action was debated heatedly in the UN Security Council There, Cuban Foreign Minister Isidoro Malmierca Peoli

MINOLTA
MAXXUM
THE COMPLETE autofocus SYSTEM
EXPO 86
MINOLTA Official 35mm Camera of Expo 86

# THE WORLD'S FIRST COMPLETE AUTOFOCUS SLR SYSTEM

## MAXXUM... ONLY THE HUMAN EYE FOCUSES FASTER

**MAXXUM** the leader and innovator in SLR autofocus photography We were the first to offer you built in autofocus and now we take the next step in innovation by offering you the world's first and only complete autofocus system with a choice of three Maxxum SLRs to suit your every need!

**MAXXUM 5000** The World's easiest to use autofocus SLR

The latest addition to the Minolta Maxxum line-up, and destined to become the standard of simplicity in SLR photography! The Maxxum 5000 is the ideal camera for the photographic hobbyist, featuring autofocusing, automatic program exposure manual exposure control automatic multi-program selection, motorized DX film speed setting, and much more The Maxxum 5000 is compatible with all Maxxum AF lenses and accepts a wide variety of Maxxum accessories

**MAXXUM 7000:** Advanced performance with ease of operation

Photography has never been this easy or creative! From its introduction in 1985 the Maxxum 7000 was destined to launch a new era in creative photography — and it did just that For the first time, photographers could capture life's split second experiences instantly and accurately

The Maxxum 7000 offers all the advantages of the Maxxum 5000 plus some additional features for the growing photographer —

- Program shift for special effects while still maintaining proper exposure
- Aperture and shutter priority for further versatility and creativity
- Accepts control grip CG 1000, Program Back Super 70 data receiving and focusing screen 70 to accommodate even more shooting situations

**MAXXUM 9000:** The ultimate choice in a sophisticated autofocusing SLR system

Destined to become the standard of excellence in professional autofocusing SLR photography!

Get a grip on a Maxxum 9000 and find out why its special features make it the most exciting 35mm system ever made Once you experience its unprecedented control and versatility you may wonder how photographs were taken any other way

A complete and unrivaled system of interactive lenses and accessories is currently available to complement the entire Maxxum line Let your imagination take you where it wants to go with the Maxxum Autofocus SLR System today!

***Plus ... an array of additional accessories so versatile they will change the way pictures are taken forever!***

**Here's what the Maxxum Complete Autofocus System currently has to offer:**

**15 Interactive Lenses**

| | |
|---|---|
| 50mm f/1 7 | 28-85mm f/3 5-4 5 Macro |
| 50mm f/1 4 | 28-135mm f/4 0-4 5 Macro |
| 50mm f/2 8 Macro | 35-70mm f/4 0 Macro |
| 24mm f/2 8 | 35-105mm f/3 5-4 5 Macro |
| 28mm f/2 8 | 70-210mm f/4 0 Macro |
| 135mm f/2 8 | 75-300mm f/4 0 Macro |
| 300mm f/2 8 APO | 100-200mm f/4 5 |
| 600mm f/4 0 APO | |

**3 Interactive Flashes**

4000 AF 2800 AF 1800 AF

**5 Program/Exposure Backs**

Program Back 70/90
Super Program Back 70/90
Data Back 70

MINOLTA

## SET YOUR PHOTOGRAPHY FREE... WITH MINOLTA AUTOFOCUS 35MM AUTOMATIC CAMERAS

Minolta compact autofocus cameras are designed to offer you ease of operation and high quality 35mm photographs Outdoors they automatically read the light level to assure proper exposure and indoors, flash photography is made simple with the automatic switchover flash Yet with all these exciting and revolutionary features Minolta autofocus cameras remain lightweight compact and come with high quality optical glass lenses!

**FREEDOM I:** The Freedom I "focus free" 35mm camera offers you confusion-free operation and total photographic freedom The Freedom I will give you results that you'll be proud of!

**FREEDOM II:** The high tech Freedom II autofocus camera sets you free from cumbersome photographic decisions You'll get confusion free operation with great photographic results!

Both the Freedom I and II are packed full with the most sophisticated, state of the art camera technology in order to liberate you from worries and guess work in photography From start to finish, they are fully automatic The Freedom I and II truly live up to their names!

**FREEDOM III:** The latest addition to the Minolta autofocus family, the Freedom III gives you great pictures with push button simplicity! The Freedom III offers sleek sophisticated styling as well as continuous sequence shooting and a full information LCD panel for "at a glance" mode confirmation The precise autofocus system and unique subject weighted metering ensures sharp clear pictures every time!

**AF-TELE — THE WORLD'S FIRST MOTORIZED DUAL LENS 35MM AF CAMERA:** A recent addition to Minolta's compact autofocus line up, the AF-Tele combines the total simplicity of autofocus auto exposure and full automatic film operation with the creative choice of two built in lenses — one for scenic and group shots and one for candids and portraits

The dual lens AF-Tele gives you a whole new way to capture the moments of your life day or night indoors or out with all the quality you've come to expect from Minolta!

The AF-Tele with two built-in lenses now you have a choice

*For more information on these fine Minolta products, contact* Minolta Canada Inc, 1344 Fewster Drive, Mississauga, Ontario L4W 1A4 (416) 624-1205

"ONLY FROM THE MIND OF MINOLTA"

MINOLTA


compared Reagan to Adolf Hitler But in Europe the discussion of terrorism was more restrained In Paris, French government spokesman Alain Juppe said that "the fight against crime and terrorism is a top priority." He also said that the government may issue forgery-proof national identity cards, reinstate police registration cards in hotels and introduce other sweeping identity checks to make it more difficult for terrorists to move freely

Newly elected Prime Minister Jacques Chirac said that he is confident France "will be able to agree easily" with policies that other Western nations want to introduce jointly to combat terrorism

In Washington state department spokesman Charles Redman said that the administration was gratified by the reductions in the number of Libyans in Western Europe And Reagan told the U S Chamber of Commerce that terrorism "must be dealt with forcefully and collectively" Otherwise, he said, terrorism will "erect a wall of fear around nations and neighborhoods, it will dampen the joy of travel, the flow of trade, the exchange of ideas"

But in the Middle East there were signs than an escalation of terrorism may, in fact, occur Palestinian guerrilla leader Abu Abbas, the mastermind of the hijacking of the Italian cruise ship Achille Lauro in October last year, said in Cyprus that he plans to convene a summit of more than 20 revolutionary groups from around the world He added that one of its objectives would be to establish an international court modelled after the Nuremberg Nazi war crimes tribunal "to issue verdicts on the enemies of the people" Then, said Abbas, "the world revolutionary forces will have the task of carrying out the verdicts in the appropriate time, place and manner." Abbas, who was arrested by Italian authorities following the Achille Lauro incident but later released, said that the U S raid on Libya was "the beginning of an assault on the Arab world" As a result, he added, "we consider military and economic targets to be legitimate targets for our operations, not civilian targets in any circumstances."

*British ambassador John Gray (centre) in Beirut: packing up and moving*

Adding to the general air of uncertainty and confusion, Libya's Information Minister Mohammed Sharaf Eddin said that the United States and Israel planned terrorist attacks in Europe for which Libya would be blamed Then, he said, those incidents would be used to justify attacks on his country White House spokesman Larry Speakes promptly denied the accusation In Karachi, Pakistani cleric Shah Ahmad Noorani called on former members of the armed forces to volunteer for a 500,000-man army to defend Libya against the United States Noorani, described as having strong influence among opposition politicians, called Reagan a "wild bear"

And Reagan himself added Nicaragua to the complex equation He said the country's Sandinista government also regularly sponsors terrorist groups He added that Nicaragua government has "strong ties to the international terror network." But in Managua, Education Minister Fernando Cardenal denied the charge and he condemned nations that failed to speak out against the U S air strike on Libya At the same time, Moscow's Soviet Communist party newspaper, *Pravda*—which was apparently able to locate the elusive Libyan leader—published an interview with Khadafy in which he declared that the United Nations should be moved "immediately" from New York to Switzerland

In the end it was up to neighboring Sudan to take a more practical, if cautious, approach even though it was the site of anti-American demonstrations following the Libyan raid Sadiq al-Mahdi, the leader of Sudan's Umma party, which is expected to form a new government in the country, said that he favors good relations with both the United States and Libya "We support the continuation of good relations with Libya," Mahdi told the Khartoum daily newspaper, *Al-Ayam*. "At the same time, we believe the United States to be a superpower with which co-operation is a necessity The important thing is that the interest of our country and our foreign policy should not have its headquarters in either Washington or Tripoli"

—RAE CORELLI in Toronto with BRIGID JANSSEN in Tripoli

# Reforming the race laws

Obed Zilwa, an 18-year-old black photographer in Cape Town, was both stunned and jubilant when he heard the report "Free at last," he said "This alone will make life bearable for a black man." Zilwa was reacting to Pretoria's announcement last week that South Africa's pass laws, a widely disliked instrument for the enforcement of apartheid, would be repealed. The pass book—a small, plastic-covered document known locally as a "dompas" (stupid pass)—denotes the holder's race, work record and residential rights. It is used to exclude unemployed blacks from white urban areas. Last year alone 132,000 blacks—the only people subject to the pass laws—were arrested for violations. Now, President Pieter Botha says that laws limiting the movement of blacks will be abolished or amended. Declared Botha. "No South African will ever suffer the indignity of arrest for a pass offence again."

Some black leaders greeted his promise cautiously. They noted that new rules may still restrict the freedom of nonwhites. But Botha, in a white paper presented to Parliament, proclaimed the end of "influx control," the government policy that restricts blacks without permits to 10 so-called tribal homelands. More than half of South Africa's 24 million blacks reside in the homelands, while about 11 million—mostly migrant workers—live in the squalor of segregated black townships near white areas. The purpose of pass laws—in effect since early this century—was spelled out in a government commission in 1922. "The native should only be allowed to enter urban areas, which are essentially the white man's creation, when he is willing to enter and minister to the needs of the white man, and should depart therefrom when he ceases to so minister."

Now, the government is setting out a new condition for black residence in cities—the availability of housing. And the passbook, which the banned African National Congress calls a "badge of slavery," will be replaced by a uniform identity document for all South Africans. Government spokesmen say that it will now accept blacks as permanent residents of South Africa and that it will stop their forced removal to homelands. But according to the government, blacks living in the four so-called "independent" homelands will still be considered foreign nationals, pending negotiations on possible dual citizenship.

Many opposition leaders say that they distrust the new policy. Archbishop Desmond Tutu said, "Some form of influx control may be brought in through the back door." Blacks wanting to move to already crowded urban areas still have to find suitable accommodation, as defined by the government, and some of them say they are concerned that the right of free movement will be more theoretical than real. "People won't be able to get jobs without approved housing," said Beulah Rolnick, a member of Black Sash, a white women's group that helps blacks caught in the web of apartheid laws. "And we all know that there is no housing available."

Government spokesmen say that by repealing the pass laws they have abolished another key pillar of apartheid. In 1984 Pretoria created two new chambers of parliament—one for Asians and another for coloreds, or people of mixed race. Last year the government repealed laws that prohibited interracial marriage and sex. Still, some blacks are clearly pessimistic. They point out that Pretoria is continuing to evade the central demand of black South Africans: the right to vote. Murphy Morobe, a spokesman for the United Democratic Front (UDF)—the country's largest legal anti-apartheid group, with two million members—said that Botha "still has to answer on the question of political representation for blacks at the decision-making level."

It is unlikely that the repeal of the pass laws will end the racial violence that has claimed nearly 1,500 lives in the past 26 months. Pretoria may, in fact, have placed further strains on race relations by introducing—on the same day as the pass-law reforms—a Public Safety Amendment Bill to broaden police powers. Opposition leaders say that the new bill is an attempt to reimpose, under another guise, a seven-month-long state of emergency that Botha lifted in March after international pressure for moderation. The police bill underlined black mistrust of Botha's new urban policy. Said a spokesman for the UDF: "This draconian bill is a clear warning to all persons who may have thought Botha's scrapping of the pass laws means reform."

—ANDREW BILSKI in Toronto with CHRIS ERASMUS in Cape Town

*Blacks awaiting pass book check: removing apartheid's 'badge of slavery'*

# Controlling the Caisse

Montreal Exchange: heavy trading, expansive boardroom seats and a heated debate over the role of a government agency

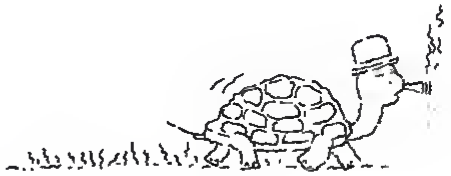
It is the country's eighth-largest financial institution—and it is worth almost twice as much as the renowned $12.6 billion Alberta Heritage Savings Trust Fund. Virtually unknown to most Canadians, the Caisse de dépôt et placement du Québec is the agency that administers Quebec's pension and insurance plans. But unlike most of Canada's conservatively managed pension funds, the Caisse has pursued a controversial strategy—aggressively seeking out high profits and entry into corporate boardrooms. Last month the government organization reported an impressive 24-per-cent return on assets of $25.2 billion in 1985. Said Donald Coxe, research director at the brokerage firm of Gordon Capital Corp. in Toronto: "Theirs is a vision that should be shared by other pension plans."

Despite its impressive performance, the Caisse is facing a major political battle. The 177-employee agency has been led since 1980 by chairman and general manager Jean Campeau, a bespectacled 54-year-old former public administrator who was appointed to the job by former Parti Québécois finance minister Jacques Parizeau. Campeau, who was Parizeau's deputy finance minister, developed the Caisse's activist investment style. During the Parti Québécois era, the Caisse used the pension fund to invest heavily in some of the province's large companies. But its critics argued that the Caisse should not use pension money to pursue the economic development policies of the provincial government. And now, some members of the new Liberal government of Premier Robert Bourassa say that the Caisse's style still reflects the interventionist policies of the former government. Said Reed Scowen, a provincial Liberal member of the national assembly and the principal economic adviser to Bourassa: "The Caisse was being turned from a pension fund into a permanent government holding fund."

Founded 20 years ago by the government of then-Quebec premier Jean Lesage at the same time as the Canada Pension Plan (CPP), the Caisse has consistently outperformed its federal counterpart. Ottawa's pension fund is restricted by law to buying government bonds that pay low rates of interest. The Caisse is allowed to purchase bonds as well as a provincial agency, it is the major buyer of Quebec government and Hydro-Québec bonds. But under Campeau, the agency began investing heavily in the stock markets. The proportion of stocks in its portfolio increased to 27.5 per cent last year from 21 per cent in 1980. And the Caisse has consistently averaged three per cent higher rates of return than the CPP. Said Coxe, a former member of the Royal Commission on the Status of Pensions in Ontario: "The Quebec




# There's no such thing as a get rich quick scheme.



## So let us tell you about our get rich slowly scheme.

Once upon a time, a swift young hare challenged a tortoise to an unusual race.

"Bet I can get rich quicker than you."

"You're on," replied the tortoise, knowing all too well his neighbour's lazy habits with money.

"Good!" cried the hare. "First one to reach $100,000 wins."

Now the hare had reason to be confident. Every month he put $250 under his mattress. But he didn't bother to invest because he had an unfair head start: he had just inherited $25,000.

The unsuspecting tortoise could save only $100 a month. But he applied the four secrets of personal financial planning: balanced investments, tax deferment, compounding interest, and most important—time. (See the chart for the surprise winner.)

The moral? "It's not how little you have at the start; it's how much you have at the finish."

Investors has a happy ending for you, too. It starts with a free comprehensive analysis of your current financial position.

Then we will build a get rich slowly plan that puts over 45 years of experience in personal financial planning to work for you.

Want to start? Just pick up the phone and call Investors.

| START | AFTER 1 YEAR | AFTER 10 YEARS | AFTER 15 YEARS | AFTER 20 YEARS | AFTER 22½ YEARS |
|---|---|---|---|---|---|
| $250/mo.+ $25,000 | $28,000 | $55,000 | $70,000 | $85,000 | $ 92,500 |
| $100/mo. at 10% | $ 1,267 | $20,655 | $41,792 | $76,569 | $101,775 |

Investors Group

PROFIT FROM OUR EXPERIENCE

A MEMBER OF THE POWER FINANCIAL GROUP OF COMPANIES.

plan is an example of what should have been done with the CPP."

The Caisse's rapid growth has clearly benefited Quebec's business community. The agency has a policy of dealing mainly with Quebec brokerage firms. And its heavy trading on the Montreal Exchange, which on some days accounts for up to 25 per cent of all activity, has been largely responsible for keeping Montreal alive as a financial centre. The Caisse has also trained a generation of money managers, many of whom have left to fill executive positions in major Quebec companies. Said Coxe: "There is clearly favoritism toward the home town."

The Caisse's growing influence has led to a heated debate about the role that a government agency should play in the affairs of private companies. The Caisse is now the largest single shareholder of some of Quebec's leading industrial companies—Alcan Aluminium Ltd., Canadian Pacific Ltd. and Bell Canada Enterprises Inc. And the Caisse has not been a passive investor. Although it is restricted by law from owning more than 30 per cent of any company, the Caisse's executives acknowledge that they have attempted to influence corporations in which their agency holds a large stake. A key tactic: attempting to gain representation on the board of directors. Among the companies that the Caisse has succeeded in penetrating are Domtar Inc. and Provigo Inc., both based in Montreal.

But in many other instances, the Caisse's attempts to gain boardroom seats and influence corporate decision-making have encountered strong resistance from corporate management. The agency has been consistently refused a place on the board of Canadian Pacific Ltd. even though it holds eight per cent of CP's shares—the single largest holding.

A contest for the top executive position at giant grocery distributor Provigo Inc. illustrates some of the Caisse's current political troubles. With its determination to take a role in private companies, the agency may come under attack from Paul Gobeil, president of the Quebec Treasury Board. Gobeil left his position as vice-president of finance at Provigo last year to run for the Liberals after a boardroom struggle that led to the appointment of former Montreal Exchange president Pierre Lortie as the company's chairman. Lortie won the job over Gobeil's boss and mentor, Pierre Lessard, who was the company's president.

The Caisse actively promoted Lortie for the job. As the company's largest shareholder, it had earlier gained representation on the Provigo board. Said Marcel Bélanger, a Quebec City economist and a Provigo director: "The Caisse is eager to exercise its role as a majority shareholder, but it is not the role of a government pension fund to take control of private companies."

There is growing pressure on Bourassa from both politicians and the business community to keep the agency out of the boardrooms. Said Scowen: "It seems unwise for an agency which controls a pension fund to sacrifice liquidity by tying up huge blocks of stock in long-term investments." Bourassa himself has told friends that he finds Campeau "pretentious."

SABIT MONTEA GAZETTE

*Campeau: championing the rights of smaller shareholders*

The government will likely ensure that the Caisse remain as the key source of government financing through the purchase of Quebec's bonds. But some analysts say Bourassa may restrict the fast-paced investment style that the Caisse developed under the Péquistes. The new government is, in fact, discussing the possibility of splitting it into two separate pension funds to compete with one another. Bourassa's Liberals have also criticized the Caisse for its strategy, begun in 1983, of investing in the U.S., European and Japanese equity markets. The Caisse's executives say that the agency had little choice but to seek out foreign investments because it had exhausted domestic opportunities. As a result, the volume of its foreign holdings has increased to $410 million from $148 million in the past year. And Campeau has pledged to increase that total this year. Said Jean-Claude Scraire, the Caisse's senior vice-president of corporate and legal affairs: "When you get as big as we are, there are fewer and fewer places to invest your money."

Despite his freewheeling style, Campeau, a former stockbroker before becoming a civil servant in 1971, has maintained a low public profile since becoming chairman of the Caisse. Known for his no-nonsense business style, he rarely gives interviews. Under his leadership, the Caisse has been a leading champion of shareholders' rights. Last May the Caisse was among the opponents to a share reorganization by Montreal-based Seagram Co. Ltd., a liquor producer controlled by billionaire brothers Edgar and Charles Bronfman. The Bronfmans planned to create a new type of share that would have increased the brothers' voting control of the company without increasing their actual shareholding. The Caisse, which owned about 6.5 per cent of Seagram, joined with other shareholders to fight the plan because it ignored the impact the move would have on minority shareholders—and the Bronfmans eventually withdrew it. Said Montreal investment counsellor Stephen Jaroslowsky, who also opposed the plan: "The Caisse is also fed up with schemes that would take away its voting rights." Campeau may eventually have to mesh his activist style with the more conservative approach favored by government and business. But his job seems secure—if he wants to keep it. He still has four years remaining in a 10-year contract which can only be overturned by a vote of the national assembly. And his $131,000-a-year salary is far lower than those earned by his counterparts who manage private investment funds. But some observers say that the new pressures on Campeau may result in his resignation. Said one high-ranking provincial Liberal: "Bourassa may get the Caisse out of the boardrooms, but it may be at the expense of losing Campeau."

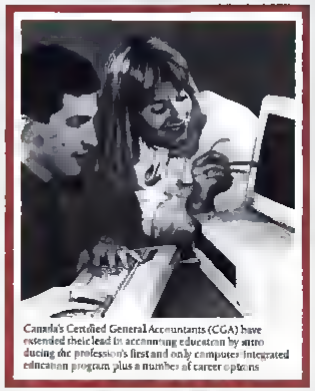
—BRUCE WALLACE in Montreal




# BYTE INTO YOUR FUTURE AS A CERTIFIED GENERAL ACCOUNTANT.

In today's fast-paced world change is the only constant. Tomorrow's professional accountants must have far greater skills in the knowledge and application of technology's tools. There is simply no alternative!

CGA-Canada first led the way in accounting education by designing a world-class, fully-supported self-study program now in use in over 16 countries. It's tailor-made for today's upwardly-mobile Canadians—you earn the CGA designation as you earn your living. You gain knowledge, experience and career promotion.



Canada's Certified General Accountants (CGA) have extended their lead in accounting education by introducing the profession's first and only computer-integrated education program, plus a number of career options.

1986 marks another major step forward for CGA. This year, CGA-Canada becomes the first professional accounting association in Canada to integrate hands-on microcomputer technology into its program of studies.

Access to microcomputers will be mandatory for students in the revised program of studies. Your opportunity to own a PC, printer and software packages is greatly enhanced by special CGA discounts and financing. Tutorials featuring hands-on computer training are designed to accelerate your progress.

**✦ CGA is flexible.**
It remains the only professional accounting organization to provide options to students in their final year and the first to meet today's professional accounting needs. This leads to wider avenues of opportunity in the marketplace.

**✦ CGA is career oriented**
With the incorporation of microcomputer technology the CGA designation will continue to be recognized as a hallmark of accounting excellence.

**✦ CGA is custom paced.**
The CGA program of studies is designed in five levels to be taken at the speed best suited to your personal, business and family needs.

Take a good hard byte into your future. Get the facts today!

CGA

**Call or write your nearest CGA office for course details**

CGA—BRITISH COLUMBIA
1555 West 8th Avenue,
Vancouver, BC V6J 1T5
(604) 732-1211

YUKON ENQUIRIES:
Please contact the above

CGA—ALBERTA
223–14th Street NW.,
Calgary AB T2N 1Z6
(403) 283-6620

580–10665 Jasper Avenue,
Edmonton AB T5J 3S9
(403) 428-0689

CGA—NORTHWEST TERRITORIES
PO Box 2015,
Yellowknife, NT X0E 1H0
(403) 873-5620

CGA—SASKATCHEWAN
218–3501 8th Street East,
Saskatoon SK S7H 4K1
(306) 955 4622

CGA—MANITOBA
Four Donald St. South,
Winnipeg, MB R3L 2T7
(204) 477 1256

CGA—ONTARIO
480 University Avenue,
Fourth Floor,
Toronto, ON M5G 1V2
(416) 593-1103

301 107 Sparks Street,
Ottawa, ON K1P 5B5
(613) 232-5363

CGA—QUEBEC
La Corporation professionnelle
des comptables généraux
licenciés du Québec
445 boul. St Laurent
Bureau 450
Montréal PQ H2Y 2Y7
(514) 861 1823

CGA—NEW BRUNSWICK
Commerce Building
PO Box 1395
Moncton, NB E1C 8T6
(506) 857-0939

CGA—NOVA SCOTIA
PO Box 3079
Dartmouth East, NS B2W 4Y3
(902) 463 2700

CGA—PRINCE EDWARD ISLAND
PO Box 812,
Charlottetown PE C1A 7L6

CGA—NEWFOUNDLAND
PO Box 6056,
St. John's NF A1C 5X8
(709) 579 1863

ATLANTIC REGION
EDUCATION ASSOCIATION
PO Box 5100
236 St. George St.,
Moncton NB E1C 8R2
(506) 388-9595

Professional accountants, shaping tomorrow

*Akasaka Palace: terrorism, trade wars and a threat to a meeting of the economic leaders*

# Terror on the agenda

The four-storey building in a drab northern Tokyo suburb is vividly conspicuous. Painted bright red, it has barred windows, a rooftop lookout tower and a massive front door made of steel plate. Across the street, plainclothes police permanently watch the headquarters of Japan's far-left Middle Core Faction, whose leaders are openly dedicated to what one spokesman described as "blowing up" next week's summit meeting of the leaders of the Western world's top seven industrialized nations. In the aftershock from the United States' April 14 attack on Libya, Japanese authorities have mounted a massive security operation involving about 30,000 police to guard against attacks by Japanese or foreign terrorists. And at the summit meeting itself, the subject of international terrorism seemed certain to emerge as a major and potentially divisive topic, overshadowing such pressing economic issues as efforts to liberalize world trade and stabilize international exchange rates.

With inflation in the summit nations at the lowest levels since 1967, and international oil prices in sharp decline, the economic outlook for the seven nations is unusually promising. But a growing agricultural trade dispute between the United States and the European Community (EC) could cause controversy as Japanese Prime Minister Yasuhiro Nakasone plays host to Ronald Reagan, Brian Mulroney, British Prime Minister Margaret Thatcher, West German Chancellor Helmut Kohl and the leaders of France and Italy at the stately Akasaka Palace in central Tokyo.

Observers said that there are several other areas for potential disagreement at the three-day summit. The U.S. delegation is expected to continue to put pressure on the European nations to accelerate their growth rates in order to be able to buy more U.S. goods. But West Germany, as Europe's leading exponent of fiscal discipline, has consistently opposed that action. The United States and Canada are also prepared to ask Japan to pass tax measures that would discourage high savings rates and increase consumption of North American goods.

Still, on the eve of the summit, terrorism appeared likely to displace critical discussions on economic matters. Despite objections by French President François Mitterrand and other European nations, Reagan appeared determined to try to persuade U.S. allies to form a more resolute front against terrorism. "A major item on Reagan's agenda is to get some very strong statement on terrorism at the end of the summit," said Andrew Lin, an economist with Washington's influential Data Resources Inc.

But some diplomats said that they feared that any debate on the issue could lead to open divisions among the leaders—particularly because Franco-American relations were badly strained after the French refused to allow U.S. F-111 bombers to use French airspace enroute to their Libyan targets from Britain two weeks ago.

*Nakasone (left), Mulroney: a narrow victory*

The mood of the Canadian delegation was more buoyant. The reason: last week's decision by the U.S. Senate Finance Committee to allow free trade talks between Canada and the United States gave Mulroney a major victory before the summit. U.S. officials said that the close committee vote was evidence of Reagan's determination to lower global trade barriers. "Reagan's victory on the free trade with Canada vote shows how hard he is prepared to fight protectionist pressures," said Edward Hudgins, an economist at Washington's conservative Heritage Foundation. "The summit will be impressed by that."

For Mulroney, due to arrive

Introducing the only thing that's been missing in 35mm auto-cameras.

The Kodak name.

The new Kodak VR35 auto-cameras make getting into 35mm photography easier than ever, because nobody in the world knows more about easy-to-use cameras than Kodak.

You can see the benefits of Kodak experience and camera knowledge in the Model K12 shown here. It features automatic focus, flash and film speed setting, and automatic film loading, advance, and rewind.

There are three different Kodak VR35 cameras to choose from, each with a three-year warranty, and each so easy to use, they could only be from Kodak.

NO OTHER MATTRESS REALLY WORKS FOR YOUR COMFORT.
ONE COIL AT A TIME.

Simmons® has a new understanding of the dynamics of comfort. Its called Contour-Flex® and its a revolutionary new way of making our Beautyrest® mattress. Now each individually pocketed coil works harder than ever for a comfort no other mattress can match. And only Beautyrest has it. Ask your dealer about Beautyrest with Contour-Flex.

SIMMONS

SIMMONS BEAUTYREST. THE DYNAMICS OF COMFORT.

in Tokyo on Saturday after attending the opening of Vancouver's Expo 86 world's fair, the Tokyo meeting will be the beginning of a 12-day trip to the Orient that will include talks with government and business leaders in Japan, China and South Korea. But the summit will clearly be the centrepiece of the tour. There, with Finance Minister Michael Wilson and External Affairs Minister Joe Clark, the Prime Minister plans to argue in favor of a further reduction in interest rates by the industrialized nations in order to increase economic growth. And they are expected to advocate an early start to the next round of multilateral tariff-cutting talks under the General Agreement on Tariffs and Trade (GATT).

Before the summit began, Canadian officials' long-standing desire to be involved more closely in economic decisions by the key Group of Five nations—the United States, Japan, Britain, France and West Germany—received strong support. Last week U.S. Secretary of State George Shultz said that Washington will press for Canada and Italy to become members of an expanded Group of Seven. Officials in Ottawa had expressed disappointment when the G-5 nations emerged from a meeting last fall in New York—to which Canada was not invited—to announce steps by their central banks to lower the value of the U.S. dollar on world exchange markets.

At the same time, Washington made clear that it favors using economic aid to ease international tensions. Reagan endorsed a program aimed at providing up to $30 billion (U.S.) in development aid to poorer Middle East nations. But with the United States facing budgetary constraints, Washington planned to ask its Western allies to provide most of the cash.

The most ominous economic issue hovering over the summit will be the trade dispute between Washington and the EC. The current controversy began in March when Spain and Portugal, under the conditions for their entry into the EC last Jan. 1, obtained a prohibition on imports of U.S. cattlefeed, rice and wheat, worth an estimated $1 billion (U.S.) annually. American and European officials who met in Paris last month during a meeting of the 24-nation Organization for Economic Co-operation and Development (OECD) failed to resolve the dispute. As a result, the House of Representatives threatened to retaliate by cutting off European wine, cheese and vegetable imports to the United States.

That issue could affect broader discussions during the next round of GATT talks that Washington wants to start this fall. The European nations are reluctant to have the talks begin before the dispute over agricultural trade is resolved. Both Washington and Ottawa are trying to gain approval on ways to end European trading arrangements and EC agricultural subsidies that have contributed to world food surpluses. But the Europeans say that liberalized agricultural trade would mainly benefit the world's largest food producer—the United States.

European and U.S. diplomats also said that they are concerned that open disagreement over terrorism or agricultural issues could endanger efforts to stabilize Western currencies. Wide, erratic swings in international exchange rates began more than a year ago when Paul Volcker, chairman of the U.S. Federal Reserve Board, ended a remorseless five-year war on inflation. The centrepiece of his strategy had been high U.S. interest rates, which in part led to the worldwide recession of the early 1980s by tightening credit. It also pushed up the value of the U.S. dollar and helped create a record U.S. trade deficit of $148.5 billion (U.S.) in 1985.

With inflation currently under control, the Fed decided to lower interest rates. Then the Group of Five agreed to lower the value of the U.S. dollar, and as a result the greenback declined by an average of 30 per cent against other major currencies in the past year. In the same period, the Canadian dollar has declined by an average of 35 per cent against European currencies. To prevent those steep fluctuations in the future, some Western officials have considered new arrangements based on the 1944 Bretton Woods agreement that fixed international exchange rates during the 1950s and 1960s. France supports that solution, while the United States and Canada favor the development of a system that would stabilize currencies by co-ordinating key economic policies among the summit nations.

Mulroney is expected to act mainly, as a Canadian official noted, in the role of "an intermediary and to promote multilateralism." Canadian officials added that the dramatic improvement over the past year in the international economic outlook improved the likelihood of a successful summit. But one official also said that it would be a mistake to "confuse confidence with complacency," a signal that, regardless of the outcome, there will still be a need for many tough bargaining sessions when the seven leaders sit down to talk.

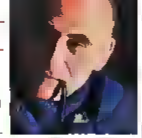
—MARK NICHOLS with PAUL GESSELL in Ottawa, WILLIAM LOWTHER in Washington and PETER LEWIS in Paris

COURTESY, AFTA DEUTSCHLAND

SVEN SIMON

*Reagan and Mitterrand (above); Thatcher and Kohl: a division over Libya*

# A front door to Asia's new riches



By Peter C. Newman

The ultimate meaning of Expo 86, which begins in a hail of fireworks this week, will be to open a new front door to Canada. The specific entry point is the Canadian pavilion, which will no doubt become as thoroughly photographed—and as symbolic of the country's aspirations—as the opera house in Sydney, Australia. The spectacular new structure juts into Vancouver harbor, its glass fibre sails set at rakish angles portraying the spirit of a city, a province and a nation on their way to glory.

In the past, Canadians have viewed the world by looking across the Atlantic; this fair will transform that myopia, forcing us at last to recognize the fact that our future lies not with the overripe economies of Western Europe but with the freshly minted superpowers of the Pacific Rim.

The statistics that back up such purple rhetoric are not new, but little appreciated. Our transpacific sea cargo trade now runs at nearly 33 million tons a year. In terms of total shipments, Vancouver handles twice as much sea freight as Halifax, Montreal, Quebec City and Toronto combined, and the shipping volume is growing. But it has taken the showmanship of Expo 86 to drive the point home.

"Everybody has enormously underestimated the impact of Expo," I was told by Dr. Pat McGeer, British Columbia's recently appointed minister of international trade and investment. "This province has had a reputation as a kind of dreamy lotus land, rich in resources and full of laid-back people. Visitors will discover through Expo that the image has been wrong."

McGeer and other boosters of the West Coast dream predict that what all the hoopla and world attention will accomplish for Vancouver (and British Columbia) in the long term will be to make them a major destination point with a widely recognized economic potential, instead of remaining merely a fun way station that up to now has lacked the infrastructure necessary for the really big deals. "Now that this essential infrastructure not only is in place, but will be *seen* to be in place, and all the things that held people back will be gone," McGeer enthuses, "so many of the serious business activities that have been dispersed through other cities will gravitate toward Vancouver."

Part of this optimism is based on the fact that the fair has so significantly upgraded the fringe benefits that world-class investors demand—great hotels, splendid restaurants, legal and accounting professions used to making foreign deals, an instantaneous communications network and, above all, fast and convenient transportation. It's at Vancouver International Airport that the real transformation of the city is best on view. The number of transpolar and transpacific flights is increasing exponentially, and an astounding eight million passengers will flow through the airport this year. Just as Vancouver was established as a railway terminus that would be a substitute for the Northwest Passage in the last century, world air travel patterns are now in the process of changing to include the B.C. metropolis as a pivotal terminus.

KATE CUMMINGS

*McGeer, the new muscle of Lotus Land*

Except for coal and timber, commodity exports from British Columbia continue in a disaster mode. One of the big problems of the wood products industries is that most of them expanded their facilities when interest rates were at a record high, and they are now stuck with unsustainable debt loads. One of the trends McGeer wants to encourage is the start-up of an indigenous machinery industry to help modernize the mills, instead of having to import most of the equipment from West German factories. He foresees that this could eventually create a $4-billion industry.

As far as British Columbia's traditional labor militancy is concerned, Expo has served to drive a wedge into the building trades, and it is mainly the public service unions that are making belligerent threats at the moment. It was not only the B.C. government's antilabor bias that helped squash the unions, but the hiring-hall practices of the construction trades which resulted in long and not always fair waiting periods for its members, while private, nonunion contractors got most of the jobs.

Through Expo, British Columbia hopes to deliver the message that its high-tech industrial sector, growing at 20 per cent a year, can deliver the goods. "The depth of the technology that exists is truly impressive," says McGeer, himself a doctor as well as a PhD in chemistry who, on the side, runs a lab examining the functions of the brain at the University of British Columbia. "Expo will give a quantum lift to our high-tech industries because it will demonstrate to visitors that they have come to a province which has people with extraordinary intellectual skills. In fact, I have no doubt that high tech will become British Columbia's No. 1 employer by the end of the century." (At the moment it ranks fourth, behind forest products, mining and tourism, but it did recently surpass the dollar output of fishing.)

It is too early to tell how much actual new business will result from Expo, but as McGeer points out, "Quite a few nations that were skeptical about Expo, especially some of the more tradition-minded countries of Europe, are now kicking themselves that they've missed a lot of opportunities by not being here." He adds, "But the most important opportunity of all will be for Canada—and we're not going to blow it."




"Through financial planning and taking advantage of several investment opportunities, Jean helped us keep our savings secure and really growing."

"We began by completing a special, comprehensive questionnaire called a "Personal Investment Review". The people at McLeod believe that you should invest your time, before you invest your money.

"Then, we considered Treasury Bills for high interest and short term cash, Government of Canada Coupons for long term security, and Corporate Bonds for a good return and flexibility. For tax-free capital gains, we compared "blue chip" mutual funds and shares of individual companies, with the added advantage of dividends. Also, we opened a Self-Directed RRSP for an immediate tax deduction and a comfortable retirement."

The Investment Executives at any one of our 40 offices coast to coast would be happy to help you plan your financial security. As a first step, call toll free 1-800-387-1834 or write McLeod Young Weir, P.O. Box 433, Commercial Union Tower, Toronto-Dominion Centre, Toronto, Ontario M5K 1M2, Attn Marketing Department for your free copy of our "Personal Investment Review" questionnaire.

Jean Hough – Investment Executive

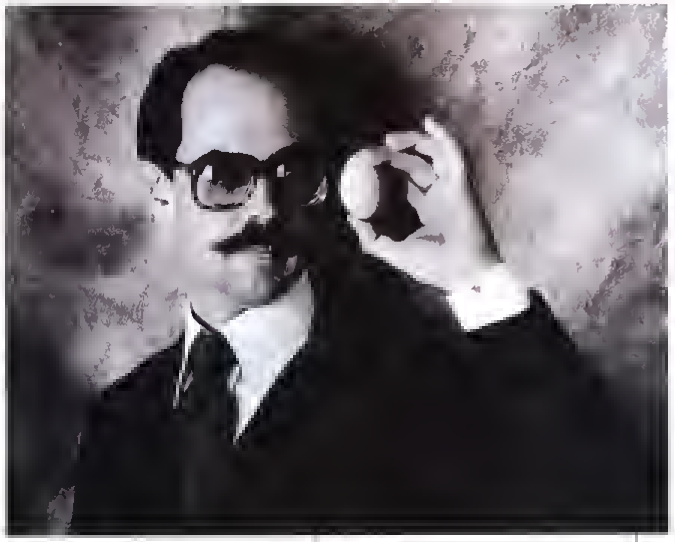
McLEOD YOUNG WEIR

Trusted financial advice since 1921

Helping your money work for you.

# "How to count your chickens before they hatch."

By Richard Sharabura ● Creative and Financial Strategist



*A prominent financial strategist, Richard Sharabura is in the business of developing new businesses*

*In nine months, the financial models Mr Sharabura created on the Apple® Macintosh™ have helped to double his firm's revenues*

*Mr Sharabura is currently working on the financial models for five new private enterprises*

"The entire business of any business from our point of view is,'What if?'

'What if this happens?'

'Or that happens?'

'What if I do this?'

'Or that?'

It's counting your chickens before they hatch

If you're making a soufflé for fifty-two hungry auditors, you need to know how many eggs it's going to take

You also need the resources to calculate how many eggs it'll take if ten or twelve decide to cancel out

Accurate financial models for projecting, tracking and accounting are crucial to any business enterprise

Whether it's a direct mail firm, a poultry farm or a neighborhood dry cleaner, you have to demonstrate to banks and investors that you have the analytical skills and business tools to make the correct decisions as circumstances change

Apple's Macintosh is the only computer I know of that gives the small, private enterprise that degree of accounting power In a machine that's usable by people whose primary business skill isn't a computer language

That's why large financial corporations like Peat-Marwick are using Macs

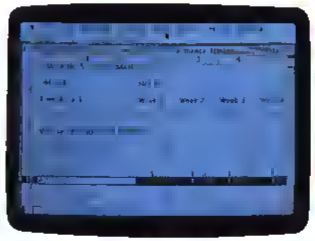
After all, when you think about it, the one difference between their books and yours, are the number of zeros at the end of the column

As an example one of the businesses we've developed is an extremely successful series of health reports sold through direct mail for a health care company in Charlottesville, Virginia.

Based on past experience, current production and postal rates and the dollar exchange, we determine a mailing's financial feasibility. Once the mailing is sent we track it against our projections

At any given moment, on any particular mailing, we know whether we're making money and should continue to put our eggs in that basket or whether we're losing money and should invest elsewhere

We've had several cases



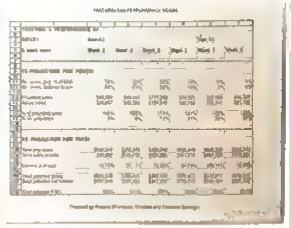
*"Macintosh heightens bones and enhances your analytical skills*

where our actual sales have dropped right on the dot of our projections And happily, we've had several instances where they have exceeded our projections

And that's just one of the businesses we're developing.

Anyone who dismisses the Macintosh as a serious number-cruncher hasn't taken a serious look.

Without the Mac, we simply couldn't be doing the quantity or quality of work we're doing now



*"The Macintosh can calculate the past, present and future Across as many as 196 columns"*

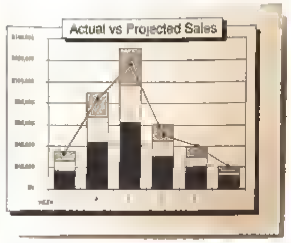
Of course, you can still fail But the guesswork is gone Your data tells you what you need to know In whatever form you find most understandable

But more importantly, Macintosh opens your mind and lets you explore problems and opportunities in detail on levels that were previously unattainable

If you locked me in a room with two thousand business people for an afternoon, I'm convinced they'd all walk out with Macs

When you see what can be done first hand, you realize there are almost no limits to Macintosh's capabilities and what you can achieve

And I'm not talking chicken feed."




*"For real communications power and impact, it's hard to compete with a Macintosh chart."*

As you've seen, the Macintosh has always delivered the power of sheer simplicity Now, the Macintosh™ Plus delivers the simplicity of sheer power

With a megabyte of internal memory An 800K disk drive Built-in networking capabilities And a new expansion port that connects up to seven additional peripherals, including hard disks with tape back-up.

What's more, the Macintosh Plus is backed by the new full-year, cost-free Apple*Care*™ Warranty

See your authorized Apple Dealer for specific coverage details

Macintosh Plus and Apple*Care* Because nobody cares for your business the way we do

Apple and the Apple logo are registered trademarks of Apple Computer Inc. Macintosh is a trademark of McIntosh Laboratory Inc and is being used with its express permission. Apple*Care* is a service mark of Apple Computer Inc.

# Magical visions with a human touch

Amid the commercial hustle of Vancouver's Expo 86, one exhibition stands apart *The Spectral Image*, an installation by Toronto-based artist Michael Snow Opening this week, *Image* cost $200,000 and is the fair's major exhibition of contemporary art It is also an outstanding personal accomplishment Located in an old Canadian Pacific Railway machine shop adjacent to the Czechoslovakia Pavilion, Snow's exhibition of sculpture and photography uses the latest developments in holography—the production of three-dimension images by using laser light. Visitors will find the luminescent visions, hovering inside the old building, enchanting But, shifting as viewers change position, the works invite participation. In the end, they redefine the way people relate to art.

At 56, Snow is one of Canada's most internationally acclaimed artists Last month his films were the subject of a six-day retrospective and conference in Turin, Italy From his *Walking Woman* series of paintings and sculpture to his films, including *Rameau's Nephew*, Snow has established himself as playful, innovative and profound. Experimenting with ways to combine the many art forms he has used, the artist worked on the latest techniques in holography at the laboratory of the Paris Museum of Holography last year There he learned that with laser-pulse holography, which uses pulsing as opposed to static light, he could produce holograms of objects in motion—and more important, of people

In his Vancouver show, Snow has turned that dramatic advantage to creating images of people cooking and even fish in a rippling brook Although each work is astonishing, the whole of the *Spectral Image* installation is greater than the sum of its parts Snow has integrated the individual works so carefully—like still frames from a film—that visitors leave the machine shop with the impression of having participated in one grand artistic statement

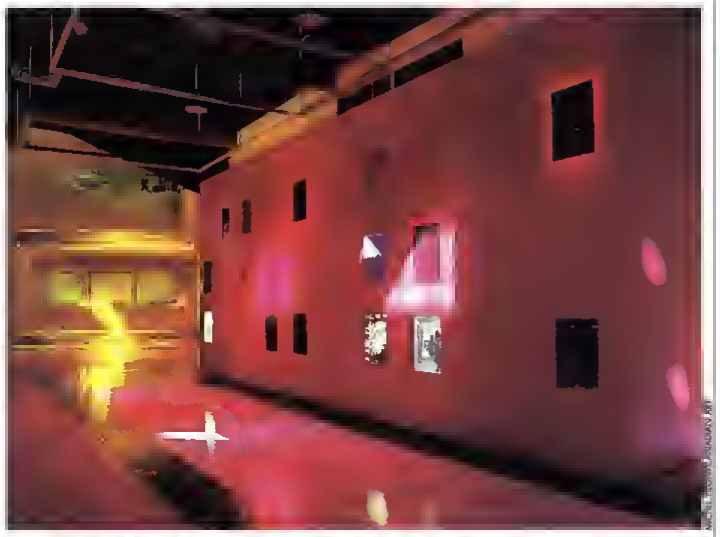
Passing through the foyer of the building, viewers enter a great hall and are immediately surrounded by light and sound The sound of an electronically produced organ chord resonates, almost inaudibly at first, but growing stronger as people move on through the exhibit Meanwhile, light shines down through colored filters on the windows Combined with the vastness of the space, the effect is like being in one of Europe's great cathedrals But unlike lofty stained-glass window depictions of miracles, Snow's wonders appear at eye level

At the same time, the show uses visual puns and optical illusions Specific pieces, such as *Egg*—a self-portait of Snow in the act of cracking an egg into a frying pan—are single images that distort, then clarify again as an onlooker shifts position Other works offer a humorous look at art and science *Still Life in 8 Calls* shows eight versions of a telephone on a table. One of the telephones is distorted while another appears as if photographed by X-rays At the other end of the hall, Snow has constructed a work titled *Area*, a wall cut away in the middle to create a large frame As people move behind the frame, they become part of the art: sodium vapor lights above drain them of color and, unexectedly, they appear to each other as ghostly visions The bleaching effect of the light in *Area* contrasts with the prism of colors that elsewhere fills the hall

Some will find the show's most appealing piece to be the three-part image *Sailboat (to Wieland)* The first image is of a childlike drawing of a boat The second is a backlit photographic transparency The third is a hologram of a traditional oil painting in a gilt frame—a picture of art that has shed its aura of high culture to offer viewers a more direct and immediate experience.

Throughout the installation, people become collaborators with Snow, helping his art assume existence But ultimately, what makes *The Spectral Image* memorable is that its sophistication serves a humble human purpose—to celebrate the potential of human perception and communication

—RUSSELL KEZIERE in Vancouver



Inside Snow's Spectral Image cathedral of visual puns, optical illusions and light

Who could ask for anything more?

GORDON'S GIN

The whole world goes for it.

## 3 MEN AND A CRADLE

*Directed by Coline Serreau*

Some French tastes defy explanation. The nation that hails Jerry Lewis as a comic genius has now unaccountably awarded *3 Men and a Cradle* three film prizes, including Best Film of the Year at the French academy awards. A comedy about three bachelors who find meaning in life after taking care of a baby for six months, the film is neither funny nor perceptive. As Jacquas (André Dussollier), an airline pilot, is about to leave on vacation, he tells his two roommates to watch for a parcel that he is expecting. Then a mother abandons a baby girl on their doorstep and the bachelors mistake it for the package. Although poorly prepared for fatherhood, Pierre (Roland Giraud), Michel (Michel Boujenah) and Jacquas—after his return—ultimately find enlightenment in changing diapers.

*3 Men and a Cradle* might have been more than mildly amusing if writer-director Coline Serreau had anything refreshing to say about evolving male stereotypes. When the mother returns to claim her daughter, the three men become grief-stricken. A drunken Jacquas even wonders why men cannot conceive children. In fact, the film reaches a nadir when he says, "If I were God, I would make Adam out of Eve's rib, not the other way around." Had Serreau herself not given birth to such banal lines, *3 Men and a Cradle* could have been a more rewarding and topical look at fatherhood.

—SHAFFIN SHARIFF

Perrins, Caine: marijuana, 'designer water' and the torturous sounds of an incessant drip

## WATER

*Directed by Dick Clement*

In *Water*, a satiric comedy that is about as fascinating as a leaky faucet, mineral water is discovered on the tiny fictional Caribbean island of Cascara. Until that happens, few people are interested in the depressed colony—least of all the British, who own it. The governor, Baxter Thwaites (Michael Caine), has nothing better to do than smoke marijuana while trying to ignore the shrill sounds of his shrewish Guatemalan wife, Biancha (Brenda Vaccaro). But when the geyser of what an American businessman later calls "designer water" gushes, suddenly almost everybody seems to be attracted to the island: a Texas oil company, the Cubans, a British diplomat and an environmentalist, Pamela (Valerie Perrine). The French have even sent mercenaries to blow up the springs, fearing stiff competition for their own export, Perrier.

On paper, *Water* must have looked like a hilarious political satire. But the film's absurd elements never gel into a convincing conclusion: the climax finds a singing revolutionary (Billy Connolly) pleading for the island's independence at the United Nations, serenading the delegates with support from such rock legends as Eric Clapton, Ringo Starr and George Harrison, one of the movie's executive producers. Meanwhile, the film relies too often on silly pratfalls for its humor. And Cascara's black inhabitants are generally depicted as people who spend their days dancing to the sounds of the island's radio station, manned by the manic Jimmie Walker, the movie's only enjoyable performer. Despite its few catchy reggae songs, *Water* is like the torturous sound of an incessant drip.

—LAWRENCE O'TOOLE

## JO JO DANCER, YOUR LIFE IS CALLING

*Directed by Richard Pryor*

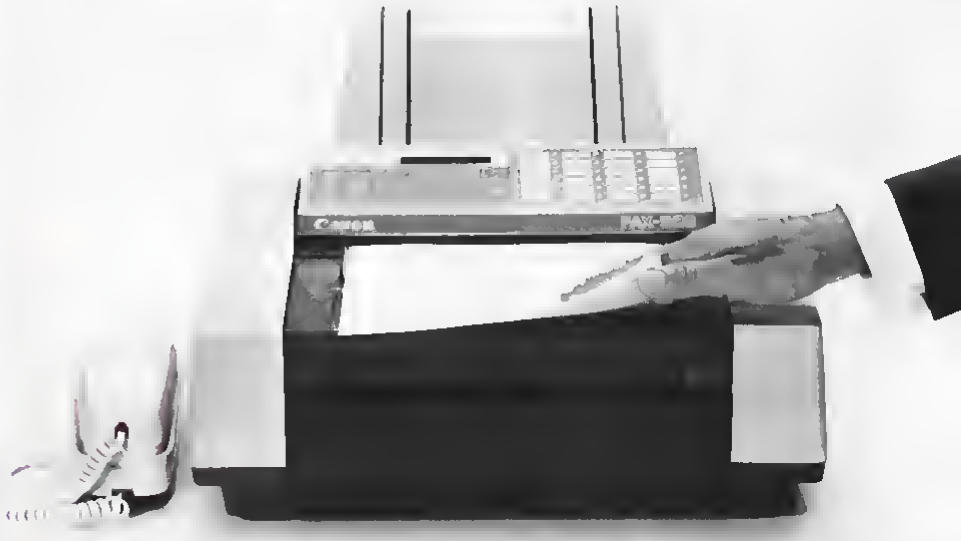
During the opening credits of *Jo Jo Dancer, Your Life is Calling*, Richard Pryor's voice asks, "Jo Jo, what in the f--- is wrong with you? Why can't you enjoy your life?" The movie, a thinly disguised autobiography which Pryor produced, directed and co-wrote, never answers those questions. Beginning at the time of his controversial accident in which he set himself on fire in 1980, the film amounts to a series of flashbacks. As well as playing himself, Pryor plays a character called Alter Ego who acts as his conscience. The audience learns that he grew up in a brothel which his grandmother (Carmen McRae) ran and in which his mother (Diahnne Abbott) worked. His domineering father (Scoey Mitchlll) later threw the young Pryor out of the house. Intended as a comedy of pain, *Jo Jo Dancer* never fully explores the connection between Pryor's rage and sadness—and his need to express those feelings through his scathing wit.

Pryor has chosen to focus on a series of personal episodes rather than dramatize his entire life. As *Jo Jo Dancer* shifts uneasily from one time period to another, there is no sense of Pryor's struggle as a black standup comic or the glamorous life of the superstar before his near-fatal accident. The movie suggests that Pryor did not receive his burns from free-basing cocaine, as reported, but that he deliberately set fire to himself. It is never made clear how, why or when he became addicted to drugs or how long the battle lasted. But there is one scene when the young comedian performs a pantomime of a baby inside a womb trying to be born. Its anger, shyness, desperation and genius tell more about the complex subject of Richard Pryor than the rest of *Jo Jo Dancer* combined.

—L. O'T.




# Yesterday, you called a courier service.



# Today, you own one.

Put a Canon FAX-520 in your office and you have your very own courier service, on call 24 hours a day.

The Canon FAX-520 communicates – in words and graphics – over ordinary telephone lines, across the city or across the world. At just 17 seconds per page.

It's a G3 machine that can talk to G2 and G1 North American FM mode machines.

It's programmable – so you can use off-hours transmission to save money.

And its memory allows you to use your 49 most commonly called numbers at the touch of a button.

The Canon FAX-520. Smart and easy to operate.

Someday, every office will have one.

Canon FAX 520

Ask us to show you how much FAX can save if you're a regular courier user

Mail this coupon to **Canon Canada Inc.**, FAX Division, 6390 Dixie Road, Mississauga, Ontario L5T 1P7

NAME _____

TITLE _____

FIRM _____

ADDRESS _____

CITY _____ PROV. _____

CODE _____ PHONE _____

MC356FX

*The courier service you can call your own.*

**Call, toll-free, 1-800-387-1241**

# GM's GREAT RATE BREAK

As interest rates continue to change, GM continues to respond, now, by offering even lower rates. So decide which financing plan makes more sense for you. Then get a great GM product.
At a great rate now.

## 7.8%/8.8%

36 MONTHS / 48 MONTHS

### THE CAREFREE CHEVY CHEVETTE PONTIAC ACADIAN

At these rates you'll really drive your cares away! Especially since you also get the 3 yr/60,000 Km comprehensive GM Major Guard Protection Plan** at no extra cost on Chevette/Acadian, the lowest priced car built in North America. So drive carefree now!

## 9.9%/10.9%

36 MONTHS / 48 MONTHS

## AT THESE RATES, YOU'LL DRIVE AN EVEN BETTER DEAL!

### GREAT LOOKING PERFORMANCE!

CHEVY MONTE CARLO
PONTIAC GRAND PRIX
PONTIAC BONNEVILLE
OLDS CUTLASS SUPREME
BUICK REGAL

### STREET HEAT!

CHEVY CAMARO
PONTIAC FIREBIRD
PONTIAC FIERO ††

(Fiero now with GM Major Guard Protection Plan at no extra cost)

### CANADA'S BEST-SELLERS!

(Applies only to 2.5 Litre EFI engine equipped models.)

CHEVY CELEBRITY
PONTIAC 6000
OLDS CIERA
BUICK CENTURY

### HI-TECH STYLE!

OLDS FIRENZA
BUICK SKYHAWK

### THE FULL-SIZE HAULING VANS!

CHEVY AND GMC ½ TON, ¾ TON AND 1 TON CARGO VANS.

### GM VACATION DRIVE

Test drive any new vehicle at your participating GM dealer. Get a free Family Vacation Guidebook and enter the GM Vacation Drive Sweepstakes. You could win one of 43 trips for 2 to Expo 86. Or the grand prize -- a vacation cruise for 2.

### THE COMPACTS!

CHEVY S-10'S AND GMC S-15'S IN 2WD AND 4WD, REGULAR AND EXTENDED CABS.

Hurry, GM's great rates are only available for a limited time. So see your nearest GM dealer as soon as possible.

GM

AT GM, THERE'S ALWAYS MORE TO VALUE THAN JUST THE PRICE.

*These rates are available from Retail finance only to qualified retail buyers. All vehicles must be new 1986 or 1985 model year models and delivered to the purchaser from dealer stock and financed at 9.9% up to 36 months or 10.9% up to 48 months (Chevette/Acadian 7.8% up to 36 months or 8.8% up to 48 months) through MAC. **See your GM dealer for full details. In some cases, a deductible may apply. †The "GM Vacation Drive" program ends May 17, 1986. Total prize value exceeds $130,000. Chances of winning one of the 43 trips depends on number of entries by region. Chances of winning the grand prize depends on total number of entries. See participating dealers for full

Official Supplier to The 1986 World Exposition

GM

# FLEXIBLE

NATURE'S FRUIT BAT. MICROTEL'S SPACETEL*

Nature provides bats with sonar as an alternate communications system with the world around them.

For remote areas or private, alternate communications networks, Microtel provides Spacetel, a flexible satellite system to augment or replace land-based communications systems.

Spacetel can offer a custom-designed, "turnkey" system designed to meet current and future telecommunications needs efficiently. The result is a satellite system that can facilitate a complete range of voice and data communications and interface with existing public and private networks.

Starting in 1986, a Spacetel satellite system will form an integral component in Canada's North Warning System replacing the existing Distant Early Warning (DEW) radar line.

With systems and components in operation in 68 countries, Microtel is constantly working to apply our technological expertise to solve a variety of communications problems. *Challenge us.*

MICROTEL

1-800-268-1121

*SPACETEL is a registered trademark of MICROTEL LIMITED.




The marriage of **Maria Shriver**, 29, co-anchor of *CBS TV Morning News* and the daughter of **Eunice (Kennedy)** and **Sargent Shriver**, and muscleman actor **Arnold Schwarzenegger** (*Conan the Barbarian*), 38, took place on April 26 at Hyannis Port, Mass. It was the first of three Kennedy weddings planned this year. A source close to Shriver says that it was nicknamed "the other Kennedy wedding" to distinguish it from **Caroline Kennedy**'s marriage to **Edwin Schlossberg** in June ("*the* Kennedy wedding") and Maria's brother **Timothy**'s marriage to **Linda Potter** in May ("the *other* other Kennedy wedding"). Among the 500 guests at the Shriver/Schwarzenegger affair were **Princess Caroline** of Monaco and CBS TV news anchor **Dan Rather**. Said Shriver last week: "I don't want the wedding to be a circus. I want to keep it as private as possible."

*Shriver, Schwarzenegger: 'the other wedding'*

Chicago TV talk show host and Oscar nominee **Oprah Winfrey** says that she is excited about the success of the show she has hosted for 2½ years. By September it will be seen in 150 cities across the U.S. But Winfrey, 32, added that she has paid her dues. "Everybody says that I'm so hot. But I have been warming up for a long time. I was 19 when I started, and I have done every horrible little nothing story, like birthday parties for cockatoos at the zoo." Winfrey says that she is grateful to colleague **Phil Donahue** who moved his show from Chicago to New York 1½ years ago. "He paved the way for the kind of talk show that showed women are interested in more than baking cookies and mascara tips." Winfrey was in New York recently, but she declared: "I don't know what I was doing there. I mean, I'm not one of the beautiful people." She added that actress/singer **Grace Jones** waved at her. "I couldn't get over it," she said.

*Sinatra: 'goodies'*

Singer **Frank Sinatra**, 70, who has a reputation for giving short concerts and making abrupt exits, was in a mellow mood during a recent performance in Vancouver. Onstage for almost two hours, Old Blue Eyes chatted about the first time that he played Vancouver, in 1933, recalling "a very pretty girl and a great deli"—although he could not remember the names of either. Then—while teenagers danced in the aisles and matrons screamed "Frankie!"—Sinatra toasted the crowd of 16,000 with wine and wished them a successful world's fair and a future filled with "hugs and kisses and all the goodies."

Some high-powered Americans disclosed their personal fantasies and daydreams in a recent survey conducted by *The Washington Times*. Said U.S. Secretary of Defense **Caspar Weinberger**, 68: "I would have liked to have been a great concert pianist. In my spare time, I might have been a great architect. And if that didn't take up all my time, I would like to be a highly skilled surgeon." He added, "You can see I spend all my time daydreaming." Chrysler Corp. chairman **Lee Iacocca**, 61, said that his fantasy was "nothing complicated, just to lead a swing band, to be a tenor sax man." Declared board chairman of the Federal Reserve system **Paul Volcker**, 58: "I want to run trains. Every time I see them run by, I want to control them. It'd be fun." Former president **Richard Nixon**, 73, said that he has "always nursed fantasies of performing great music, either by conducting a symphony orchestra or playing the organ in a great cathedral." But last week Nixon, who was forced to resign from the presidency in 1974 after the Watergate scandal, fielded a more down-to-earth question. Asked what his successors could learn from his experience, Nixon declared, "Just destroy all the tapes."

In 1976 Canadian communications expert **Marshall McLuhan** visited his daughter, **Mary**, in Newport Beach, Calif., taking along his new book, *City As Classroom*. When the elder McLuhan suggested that the California school system might want to adopt it as a textbook, recalls Mary, 40, "being brash, I told my father to call the governor." Then-governor **Jerry Brown** granted father and daughter an interview, and although the book did not appear on the curriculum, "the governor liked *my* ideas about education," said Mary. As a result, she was appointed to the California State Board of Education from 1978 to 1983, and she later established the respected Marshall McLuhan Center on Global Communications. The major purpose of the Los Angeles-based centre is to honor teachers who have made an imaginative use of computer technology, because McLuhan says her father, who died in 1980 at age 69, "was first an educator." She added: "No one was doing anything to remember him. I felt I should."

—Edited by MARY MCIVER

*McLuhan: a class father-daughter act*

# The quest for organs to transplant

Bryan, Donna-Marie Bowers (above), Stiller: a communication gap between doctors and donors

John and Judith Burton, a relatively young and healthy married couple from New Glasgow, N.S., agreed that in the event of John's death, his body should be used for organ and tissue transplants. In fact, he had signed his provincial licence consent form. But in 1984, when John, 36, was pronounced brain-dead shortly after an aneurysm burst in his brain, doctors at Halifax's Victoria General Hospital disconnected his life-support equipment without taking any organs. That was standard medical procedure, and, out of concern for Judith, then 5½-months pregnant, doctors did not discuss organ donation with her. According to Dr. Calvin Stiller, head of the Multi-organ Transplant Service at London, Ont.'s University Hospital, the primary reasons for the missed opportunities for organ donation are the attending physicians' failure to consult the patients' families or to refer to the consent form on licences of patients. Since John's death, Judith Burton, 37, has been speaking to church and medical groups in Eastern Canada attempting to increase awareness of the need for donation. Said Burton: "It is almost a crime not to give people the opportunity to make that choice."

Last year in Ontario alone, of 2,100 potential donors, the organs of only 197 were transplanted. But the shortage of transplantable organs is caused more by a lack of communication between doctors and patients than by a lack of willing donors. A 1984-85 Ontario government task force survey on organ donation showed that of 1,000 individuals polled, 88 per cent would donate the organs of their next of kin—yet only 26 per cent of those polled had signed donor cards. The task force's recommendation hospitals should establish a practice of "recorded consideration," by which the physician would be required to record whether or not the deceased person was a potential donor, whether relatives were asked about organ donation and their response.

Three U.S. states require physicians to ask next of kin about donation, and many others, including Wisconsin and Michigan, are in the process of incorporating the procedure into their individual health acts. Detroit's Henry Ford Hospital, the first hospital in North America to voluntarily implement recorded consideration, has demonstrated its effectiveness. According to Maxine Uniewski, co-ordinator of LifeShare, the hospital's organ donor program, between 1974 and 1984 the hospital averaged five donors a year. In 1985, using recorded consideration, that number grew to 21. For his part, Stiller says he hopes that by 1987 more than half of Canadian hospitals will voluntarily make recorded consideration part of their policies—as the Toronto General Hospital did in March.

RON SMITH

For Bryan and Donna-Marie Bowers of Perth, Ont., donating their seven-month-old daughter Jenna-Marie's organs gave them some comfort. In January, 1985, while the family was walking along a downtown street, with Jenna-Marie in her father's arms, a large block of ice slid off a building. Part of the ice struck the family, slightly injuring both parents. But the child received a severe blow to the head, damaging her brain. After an eight-hour operation, she was pronounced brain-dead. It was then that the Bowers decided to donate their baby's organs. Doctors removed Jenna-Marie's kidneys, liver and corneas. Said her 28-year-old mother: "We could see some good coming out of all this. We feel it has helped our grieving process."

Both Stiller and Uniewski acknowledge the difficulties doctors face in approaching patients' families at such a traumatic time. But, said Judith Burton, "it is not the donation itself that is upsetting, it is the realization of the finality of the loved one's life." Aware that the hard questions must be asked in such circumstances, Stiller and his colleagues continue to encourage adoption of the recorded consideration procedure. By not increasing communication, said Stiller, "we are not just robbing potential recipients, but we're robbing the family as well. Our part as physicians in requesting donation can no longer be considered optional."

—NORA UNDERWOOD in Toronto

WHEN YOU'RE LIVING OUT OF A SUITCASE, CHOOSE CANADA'S GREAT LODGING VALUE.

Comfort Inn
Comfortable accommodations, limited facilities, no-frill prices.
800-228-5150

Quality Inn.
Moderately priced, well-appointed rooms, complete facilities.
800-228-5151

Quality Royale
The finest of Quality accommodations, graciously appointed rooms, extra amenities.
800-228-5152

Ask about our chain-wide non-smoking rooms—lodging industry first.

Call toll free, or call your travel agent, to discover the Quality Choice worldwide

# Fleecing the rich with a fake crusade

The victims included an Anglican rector, the wife of a prominent British member of parliament and three well-to-do aristocrats. But the blue-blood cast of witnesses was not the only reason why scores of spectators and reporters jammed the Crown Court building in Maidstone, 50 km southeast of London, for the past 10 weeks. They, and millions of British newspaper readers, were titillated by revelations in the sensational trial of 46-year-old Derry Mainwaring Knight. Knight stood accused of defrauding devout—and wealthy—Christians of $436,000, money that the prosecution said had been spent on prostitutes, fast cars and general high living. Knight's defence: he said that he needed the money to destroy a sect of devil worshippers and free himself from the control of Satan.

As improbable as that story sounded in the courtroom, many residents of the East Sussex parish of Newick evidently believed it. According to Crown prosecutor Michael Corkery, the balding, paunchy Knight moved to the village in 1983. There, he quickly ingratiated himself with the community by distributing Church of England pamphlets from door to door and organizing prayer meetings. And when his painting and decorating business began to founder, Knight sought help from John Baker, the 49-year-old rector of the Anglican parish. Knight complained about owing large sums of money and he told the rector that vicious debt collectors were harassing him. Baker, whom Corkery later described in court as "generous in spirit and highly gullible," agreed to help by approaching wealthy parishioners for donations. In return, Knight promised to devote the rest of his life to Christ.

Then, in February, 1984, with his business near bankruptcy, Knight moved into the attic of the rector's house. Baker said that on one occasion Knight went into a trance-like state during which he seemed to be possessed by spirits. Recalled Baker: "There were things speaking out of his mouth but not in his normal voice—a quite well-known phenomenon with demonic possession." The rector added that when he demanded to know what had happened to Knight, a strange voice replied: "You cannot have him. He belongs to Lucifer. He was dedicated by sacrifice as a child, and he is a master of the occult."

DACE EVEN NO ARGUS BRIGHTON

*Knight: gullible aristocrats, devil worshippers and a mysterious voice*

Baker testified that Knight had told him he could break the devil's hold over him only by becoming head of a mysterious organization called the Sons of Lucifer—which he could then destroy from within. But in order to be chosen as leader, he said, he would have to prove his worthiness for high office by buying black magic artifacts and satanic regalia, including robes, a sceptre, a chalice and a throne. Said Corkery: "The rector had been caught hook, line and sinker, and he was used to entice bigger fish into his net."

Through the rector's enthusiastic introduction, Knight succeeded in enlisting Susan Sainsbury, 47-year-old wife of Conservative MP and government whip Timothy Sainsbury and a member of one of Britain's wealthiest families, in his putative crusade against Satan. Said Sainsbury, who never met Knight in person but still sent him seven cheques totalling $170,000: "I prayed for Derry and his deliverance from Satan. The advice from my prayers was that I was doing the right thing." Another victim, 48-year-old Viscount Hampden—born Anthony David Brand—testified that he paid $80,000 for a white Rolls-Royce sedan that Knight said he needed to impress the other members of the mysterious satanic order. And when Knight complained that police were monitoring his home telephone calls, Brand willingly gave him another $6,000 so that Knight could install a telephone in the limousine.

In fact, Corkery told the court, Knight spent most of the money on prostitutes and the acquisition of jewelry, fine clothes and a succession of cars including a Cadillac, a Lotus and a Range Rover. But Knight insisted that he had used the money to buy satanic regalia, which he had stored abroad at an undisclosed location. And in another startling defence argument, Knight said that he had no need to obtain money fraudulently because he earned up to $25,000 a week from a prostitution ring he operated in London.

But that explanation failed to convince the jury, which last week convicted Knight on all 19 charges of fraud. Judge Neil Denison, who sentenced Knight to seven years in prison, told him that he was appalled by his "cynical manipulation of so many good people." Even Knight's own mother was pleased to see him go to jail. Indeed, 64-year-old Margaret Knight told reporters that her son had once cheated her out of $92,000 by running up a bank overdraft in her name. She added: "He often told me that you can always take Christians for a ride because they won't take you to the law. Jail is probably the best thing that could happen to him."

—ROSS LAVER in London




# Put your love to the test.

**How much love do you have to give?**
**Answer these simple questions and find out.**

If I saw a lost, frightened child on my street, I would immediately stop and help.
☐ YES ☐ NO

I often feel frustrated and helpless when I see a news story about desperately poor or sick children.
☐ YES ☐ NO

I believe that no child should ever have to do without nourishing food, decent housing, medical care, or schooling.
☐ YES ☐ NO

I think that the best way to help children is not through handouts—but rather, by teaching families and communities to help themselves.
☐ YES ☐ NO

I believe that impoverished children should receive help within their own families
☐ YES ☐ NO

I especially wish there were an effective way I could personally help just one desperately poor child and family
☐ YES ☐ NO

If I could be assured that my money was being spent effectively, I would definitely consider helping.
☐ YES ☐ NO

If I could help a child for as little as 75¢ a day, I would.
☐ YES ☐ NO

If you answered "YES" to these questions, you are the kind of person who can help a desperately poor child overseas... through *Foster Parents Plan*. In fact, for just 75¢ a day, you can make it possible for the child and family you sponsor to have medical care, decent housing, schooling ..and hope. Imagine. Your spare change could change a child's life.

Foster Parents Plan lets you help your Foster Child within the child's own family. And more, the small amount you give goes toward teaching families and communities to work together—by growing more food, digging wells, and building schools. You'll see the results for *yourself*.

Through pictures. Detailed progress reports. And letters from your Foster Child.

How can you sponsor a child now and pass the test of love? Just answer "YES". Mail this entire application, or call toll-free 1-800-268-7174.
**Your love *does* make the difference.**

**CALL TOLL-FREE ANYTIME 1-(800)-268-7174**
**Information will be sent immediately**

FOSTER PARENTS PLAN
FOSTER PARENTS PLAN OF CANADA
*(An international human development agency)*
153 ST CLAIR AVENUE WEST TORONTO CANADA M4V 1P8

I want to be a Foster Parent of a boy ☐ girl ☐ age _____
country _____ or where the need is greatest ☐
I enclose my first payment of $23 00 Monthly ☐ $69 00 Quarterly ☐
$138 00 Semi-Annually ☐ $276 00 Annually ☐
I can't become a Foster Parent right now However I enclose my contribution of $_____ Please send me more information ☐ Tel No _____
Mr ☐ Mrs ☐ Miss ☐ _____
Address _____
City _____ Prov _____ Code _____
I wish communication with PLAN to be in English ☐ French ☐

PLAN operates in Bolivia Burkina Faso (formerly Upper Volta) Colombia Ecuador Egypt El Salvador Guatemala Haiti Honduras India Indonesia Kenya Liberia Mali Nepal the Philippines Senegal Sierra Leone Sri Lanka the Sudan and Thailand Foster Parents Plan of Canada is officially registered as a Canadian Charitable Organization by the federal government Contributions are tax deductible

10/18/85 MA501 050586

# Selling love to women

Julian Kay spoke six languages, wore exquisitely tailored suits and was willing to spend three hours satisfying a woman—if she paid him for it. He also was a fictional male prostitute with a heart of gold whom actor Richard Gere played in the 1980 film *American Gigolo*. Now, Edna Salamon, an assistant professor of sociology at the University of Alberta in Edmonton, suggests that the Gere character has become a modern role model for members of a shadowy trade: men who provide women with companionship and sexual services in exchange for money. And while 26-year-old Salamon was investigating her subject for a forthcoming book, she interviewed 500 gigolos in settings ranging from the campus of Vancouver's Simon Fraser University to luxurious apartments in Paris and Rome. Said Salamon: "If one person can uncover so much of this activity, it is probably only the tip of the mountain."

Indeed, the role of the gigolo (from the French for one who dances) has been a theme in works of art ranging from Franz Lehár's 1905 operetta *The Merry Widow* to pop singer David Lee Roth's revival of the 1930s hit *Just a Gigolo*. And because women experience growing financial independence and increased sexual freedom, Salamon says that some women are seeking relations they can control—by buying them. Said Salamon: "Just as some secretaries become mistresses of their powerful bosses to gain wealth and status, so do some men turn to rich women. The whole thing hinges on money."

BRENDA JONES

Winnipeg-born Salamon began studying the social phenomenon of kept men—and women—in 1980 when she was a postgraduate student at the London School of Economics. Three years later her pared-down research resulted in a PhD thesis on mistresses, which Orbis Publishing Ltd. of London released in book form the following year. Salamon does not know how many copies of *Kept Women* have been sold, but the royalties enabled her to continue her research on gigolos for a new book that Orbis has plans to publish this fall. For the new project she has sought information on kept men in Canada and the United States by placing newspaper and magazine advertisements. Then she sifted through the 2,000 replies she received before interviewing the most promising correspondents—and the women who subsidized them.

PARAMOUNT PIC. (GERE)

*Gere as a screen gigolo, Salamon (below) seeking careers and reliable escorts*

Salamon found that the gigolos she interviewed took pride in the amount of money they had extracted from their patrons—from the $200 for a one-night stand charged by an employee of a Vancouver escort agency to the $500,000 obtained from one woman who invested in her gigolo's dubious land development project in the state of Washington. As well, the Edmonton researcher said that the European gigolos she interviewed appeared more sophisticated than their Canadian counterparts, who tended to brag about their sexual prowess. But she discovered that patrons of gigolos on both continents often indulge in the same illusion that the men loved them. The gigolos did not fall into this trap. Said Salamon: "With those people you never get a free cup of coffee. To them everyone is a mark."

Before she moved to Alberta last year, Salamon met 150 gigolos in Vancouver alone—and was surprised to learn that some of them attended classes in the mountaintop campus where she taught first-year sociology courses. But supporters at Simon Fraser endorsed her research. Declared assistant criminology professor John Lowman: "Any work that explores the relationship between sex and money is significant." While she was pursuing that goal, Salamon noted that West Coast gigolos she met were well-groomed men in their 20s and 30s who sometimes began their career by working for escort services.

By contrast, Salamon found that many of the Vancouver women buying time and affection were in their 30s and 40s, often divorced and devoted to demanding careers in such fields as real estate and law. In one instance, a 37-year-old senior manager said that her paid lover also functioned as a reliable escort at cocktail parties. According to Salamon, many women do fall in love with gigolos. Declared the researcher: "The greatest occupational hazard of being Madam Bountiful is falling prey to romantic inclinations. Some come to believe that with their help, the frog will turn into a prince." Still, for women who are confident that they can avoid such pitfalls, Salamon said that they can attract gigolos simply by flaunting expensive jewelry in posh hotel lounges. For would-be gigolos, she passes along the universal advice of a successful 60-year-old practitioner whom she met in Rome: be attentive to a woman's needs.

—MALCOLM GRAY with BRENDA RABKIN in Vancouver




The Saab 900

*Saab 900 Sport*

IT MAKES COMMON SENSE AN UNCOMMON VALUE.

It's a rare find, this thing called value. But its rarity also makes its discovery that much more rewarding.

The common sense of the Saab 900 brings about an uncommon balance of quality, features and price. A balance that allows you to spend each precious dollar with no regrets.

Every aspect of safety, comfort, and practicality in the Saab 900 is the result of a time-honoured engineering philosophy that demands intelligent innovation – rather than change for the sake of change.

**IT'S IN YOUR HANDS.** There is a sense of completeness in the Saab 900 that is evident the moment you close the door behind you.

All instrumentation and controls are clearly visible and perfectly positioned in relation to the driver. And Saab's 2.0 litre overhead cam, fuel-injected engine, and rally-proven handling systems put control where it belongs – safely in your hands.

Every move the Saab 900 makes will be because you command it to do so.

The Saab 900 easily puts four adults firmly in the lap of European comfort. Or accommodates two adults and as much as 56.5 cu.ft. (1600 litres) of cargo when the folding rear seat is down. And that's more than many so-called full-sized automobiles.

Whether the Saab 900 of your choice is a 3-door (which by the way, starts at under $17,000), 4-door, or Sport, you can be assured that you're getting top value for your money. Like all Saabs, it is protected by a 3-year/60,000 km factory warranty.

**PRACTICALLY SPEAKING.**

Visit your Saab dealer for a test drive. The satisfaction of your discovery will stay with you a long time – as will your love for Saab.

SAAB

# Dealing during the power breakfast

YVONNE HOBART/CAMMA LAYSON

*Tisch and American Express president Louis Gerstner at 540 Park: $3.50 cups of coffee and a tense atmosphere*

At 7:45 a.m. on April 15—the morning after F-111 jets bombed Tripoli—a high-powered group of 15 Arab diplomats, Texas oilmen and senior United States politicians met over scrambled eggs, toast, coffee and seedless green grapes to discuss the effect on world oil prices of the U.S. attack on Libya. And 75 minutes later an aide went from the small dining room in the Madison Hotel to the White House where he briefed Vice-President George Bush on the Middle East situation. U.S. government workers were still arriving at their offices as he did so, but the aide and the rest of this group had already worked through what participants call a "power breakfast." Said Texas lobbyist Paul Driscoll: "These meetings are productive because they are geared to deal with just one topic and no interruptions."

That sentiment has been an article of faith among the ambitious and powerful across North America since combining business with breakfast first became fashionable in New York City 10 years ago. At that time Preston Robert Tisch, president of the Loews Corp., coined the phrase power breakfast to describe the sessions at the company-owned Regency Hotel where he has a small suite. Now top executives and politicians at similar sessions share bacon and eggs at posh locations across Canada. Among them: L'intercontinentale of the Ritz-Carlton Hotel in Montreal, the Four Seasons dining room in Ottawa, the Prince Arthur Dining Room in Toronto's Park Plaza Hotel, the Calgary Petroleum Club, the Courtyard Cafe at Edmonton's Four Seasons Hotel and Le Café at The Mandarin hotel in Vancouver. But there are critics of the ritual: some employees complain that their bosses are simply making them work an extra hour while others say they like their sleep too much to jump out of bed for Eggs Benedict and business at 7 a.m.

Still, on the corner of 61st Street and Park Avenue, among the towers of midtown Manhattan, the rich and powerful leave their limousines every weekday to drink $3.50 cups of coffee in 540 Park, The Regency Hotel's chandeliered breakfast room. They include such notables as baseball commissioner Peter Ueberroth, National Football League commissioner Pete Rozelle, ABC television news and sports president Roone Arledge and real estate millionaire Donald Trump. And they regularly work their way through deals and coffee at a restaurant that serves about 1,000 breakfasts each week at an average of $25 each. Their breakfast demands have even increased the duties of Regency waiters who now photocopy documents for diners closing a deal. Judith Price, publisher of *Avenue*, a glossy New York magazine, describes the normal atmosphere in the room as subdued but full of people under stress. Said Price: "You have heard about the Type A personality? Well these are the AAs."

But in Montreal, Paul Martin Jr., chairman and chief executive officer of Canada Steamship Lines Inc., dismisses suggestions that early-morning meetings increase his stress level. Indeed, Martin is an advocate of power breakfasts and occasionally begins his workday at 7:30 a.m. with freshly squeezed orange juice and a bowl of Quaker Oats in L'Intercontinentale at the elegant Ritz-Carlton on Sherbrooke Street West. The Ritz is known as a meeting place for important federal politicians in Quebec, but Martin, a key figure in Liberal circles, said that he patronized the hotel because "the Tories are there, but none of them are awake at that hour." And Montreal Canadiens hockey club president Ronald Corey adds that business that takes two hours over lunch with drinks can be wrapped up in 45 minutes over breakfast. Declared Corey: "If a guy is willing to get up at 6 a.m. to meet you for breakfast, you know he is going to have something important to say."

Sam Hughes, former president of the Canadian Chamber of Commerce, who now heads Executive Consultants Ltd. in Ottawa, agrees. He says that breakfast meetings in the capital are a natural—and efficient—extension of the day. Said Hughes: "The phones don't ring. Your mind is uncluttered. Your first appointment isn't until 9 or 9:30. It's just a great time to take an hour to talk." While some Ottawa businessmen and politicians frequent the Westin Hotel or Nate's, a venerable Rideau Street delicatessen, the hottest breakfast spot in town for power mongers and influence peddlers is the Carleton restaurant at the Four Seasons. There lobbyists, politicians and such high-ranking civil servants as Deputy Finance Minister Stanley Hartt and Bernard Roy, principal secretary to Prime Minister Brian Mulroney, exchange greetings and information over their coffee.

By contrast, New York financial analyst Jonathan Gerard says that he attends power breakfasts under duress, and he dismissed the concept of business with breakfast as "the latest symptom of a crazy competitiveness." He argues that the meetings are frequently subject to "EMFT, for early morning fuzzy thinking." Said Gerard: "I just can't think straight in the morning." And he recalls arriving at 540 Park on one occasion with a forgotten piece of tissue still stuck to a shaving nick. Added 540 Park's maître d'hotel, Marie Hallas: "The bosses are always wide awake, but a lot of the younger fellows run in at the last minute, combing their hair and running into the restroom to put on their ties."

MARTIN JOSEPHSONG

In the United States perhaps the best-known of all power breakfasts are the twice-weekly 8 a.m. sessions run by Godfrey Sperling Jr., the senior Washington columnist for *The Christian Science Monitor*. For 20 years he has invited other senior and influential journalists to breakfast at the Sheraton Carlton Hotel with a major power figure as guest of honor. Looking back over two decades and about 110,000 "barely scrambled eggs," Sperling recalled the morning when former senator S. I. Hayakawa demanded a special breakfast of canned sardines on lettuce, a morning meal that appalled some of the others. In March President Ronald Reagan attended his annual Sperling breakfast. But as the nation's chief executive, the President attached conditions to his presence: he insisted that it be held at the White House—and one hour later than the customary starting time.

STEPHEN HOROWITZ

*Corey (left), Ritz-Carlton vice-president Fernand Roberge; Paul Martin Jr. (below): 'the AAs'*

For Calgary oilmen, business breakfast meetings are almost as vital as monitoring the world price of crude. Jim Gray, the executive vice-president of Canadian Hunter Exploration Ltd., is a breakfast booster. Said Gray: "I've always found you get far more work done over breakfast than any other time. Since 1981 he has conducted several meetings a week—starting at 7 a.m. at the Calgary Petroleum Club—over his usual meal of brown toast and decaffinated coffee. Added Gray: "You have to start your day a bit earlier than they do in the east because we are tied to the Toronto Stock Exchange, and there is a two-hour time difference." And in Vancouver, stockbrokers who begin work at 6 a.m. often have breakfast in Le Café of The Mandarin hotel three hours later—when their eastern counterparts are at lunch. Many stay abreast of stock market fluctuations by using a cordless telephone that waiters shuttle from table to table.

But with power breakfasts becoming as integral to deal-making as computer printouts and cordless phones, the man who coined the phrase confesses that he does not like morning business meetings. Preston Tisch frequently eats breakfast with his peers in the dining room of The Regency, but he much prefers having half a grapefruit, cottage cheese, skim milk, a slice of Melba toast and coffee with his wife, Joan, in their hotel apartment high above Park Avenue. Said Tisch: "That gives me an opportunity to read the newspapers and talk to my wife. Sometimes it's the only time I see her."

—KEVIN SCANLON in Toronto with WILLIAM LOWTHER in Washington, LENNY GLYNN in New York, DAN BURKE in Montreal, HILARY MACKENZIE in Ottawa, KERRY DIOTTE in Edmonton and DIANE LUCKOW in Vancouver

• Nº 21 IN A SERIES •

# If You Think You Don't Need Teleconferencing, You Haven't Tried It.

## Make Sure Your Message Gets Through. Bring Your People Together With Teleconferencing.

An organization runs only as well as it communicates.

That's why more and more organizations rely on Teleconferencing for a successful meeting of minds. It's one of the most efficient meeting and management tools available.

## Teleconferencing As A Meeting Tool.

Teleconferencing allows you to make important decisions immediately. Without the delay and expense involved in gathering key people to a specific meeting place. And without spending valuable post-meeting time to inform those people who couldn't attend.

There's no faster way to react to problems that require the expertise of people in different locations. And by solving these problems quickly through Teleconferencing, you can move on to other business much sooner.

## Teleconferencing As A Management Tool.

Teleconferencing conserves valuable management hours by keeping key decision makers available in the office. The very place they are needed most. Teleconferencing also allows you to exchange information and coordinate efforts with your branch offices with the utmost efficiency. That's because you reach your key people all at the same time. With less chance of misunderstanding. Since you meet with your out-of-town people more often, Teleconferencing opens up lines of communication and brings staff from different cities closer together. And it provides employees who normally couldn't attend face-to-face meetings the opportunity to contribute to the decision making process.

## Teleconferencing For Your Meeting Needs.

You can use Teleconferencing to replace, enhance, or follow-up many of the regular meetings you now attend. For instance, many organizations like yours use it daily for such purposes as: Planning, Committee Meetings, Staff Meetings, Information Exchanges, Staff Training, Crisis Solving, Sales Meetings, Negotiating and Coordinating.

Whatever your meeting needs, Teleconferencing helps you make better use of your time, includes more people in the decision making process, and allows you to coordinate your efforts more efficiently. When you add all that up, the result is an improved bottom line.

Teleconferencing is just one of many services available to you nationwide through your telephone company and the other members of Telecom Canada.

For more information about the Teleconferencing Family of Services (Audio, Audio Plus and Full Motion Video) call for your free Teleconferencing Kit.

**Call Toll-Free**
***1-800-361-3050***

Telecom Canada

EXPO 86 SPONSOR

• AGT • Bell Canada • B.C. Tel • Island Tel • Manitoba Telephone System • • Maritime Tel & Tel • NBTel • Newfoundland Telephone • SaskTel • Telesat Canada •

## Good News for Bad Backs!

A sore back is no joke It's the most common ailment in our world, and anyone who suffers from it will tell you that the world is also full of miserable chairs!

The new "Back Shape"™ is actually contoured to the shape of a healthy back, so it gives support at just the right places It will convert almost any chair or seat into a haven of comfort, so you can use it at home or take it anywhere - to the office, on buses, trains, planes, or to the movies.

The thoughtfully designed "Back Shape"™ comes with a carrying handle and elastic strap to secure it to the chair back Cover is all-cotton and washable

Don't stand for a sore back any more - SIT DOWN with

the Back Shape

See it today at major department stores, or write for information to:
The Back Shape, Dept. 14
302 Horner Avenue, Toronto,
Ontario M8W 1Z3
(416) 259-8494




# An off-screen TV drama

Canadian Broadcasting Corp president Pierre Juneau returned from an official two-week trip to China last week to a cool reception from Conservatives His visit had achieved at least one triumph he had concluded a Canadian-Chinese agreement to produce a $10-million film and television mini-series based on the life of Canadian doctor Norman Bethune—a Communist who served with Mao Tse-tung's revolutionary forces But Juneau's achievement was somewhat diminished by the dissatisfaction of some members of the Conservative government at the timing of the trip Juneau left for China just four days after he eliminated 350 positions and cut TV programming because of a controversial budget shortfall And his visit followed Prime Minister Mulroney's request that bureaucrats and politicians refrain from trips to China until after his official visit in May

*Maclean's* could not reach Juneau for comment but CBC director of public relations Richard Chambers said that "we didn't know anything about" Mulroney's requested China travel moratorium Still, the incident underscored what Conservatives say is the worsening relationship between the CBC and the government. Strains have increased over the state of the corporation's finances The president's announcement last month of a $48-million shortfall was originally greeted with skepticism—by some members of the Treasury Board and many of the CBC's union leaders, among others—because of the CBC's inability to explain clearly how it had arrived at that amount.

Confusion deepened when the CBC issued a press release three weeks ago The document said that the corporation is spending an extra $22 7 million in federal subsidies for 1986-87—but that is still $48 million short. Last week CBC officials said that the press release listed nonexistent expenses—including $5 5 million for a salary budget shortfall expected in 1987-88 Now, the CBC says that the extra $22.7 million will defray such costs as foreign program purchases. And last week communications industry insiders said that after weeks of acrimonious battles, Treasury Board officials finally agreed with the $48-million figure

Bethune 'triumph'

PUBLIC ARCHIVES CANADA

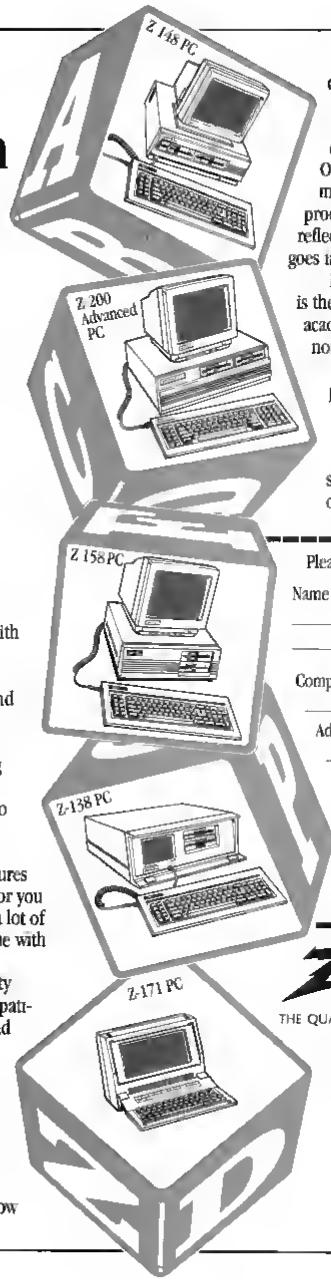
Meanwhile, financial confusion persists among the CBC's own employees Management gave many producers estimates of how much of their budgets they had spent for the fiscal year ending March 31, 1986—but throughout the year the producers were unable to find out whether they were above or below budget Some say they still do not know Stephen Cotsman, the CBC's new vice-president of finance, declared "We recognize that the reports have not been as timely as everyone would like Looking ahead, the major problems have been dealt with"

Those financial problems have made it difficult for the supporters of public broadcasting to defend the CBC—at a time when Cotsman is making efforts to control the corporation's finances And the controversy offsets the CBC's creative achievements over the past eight years the CBC increased Canadian programming on English TV to 80 per cent from 67 per cent, despite the fact that federal appropriations have rarely kept up with inflation

The Treasury Board and the CBC are now discussing the creation of a new funding formula that will preserve the corporation's independence but give the Treasury Board some control over imprudent CBC spending Said Cotsman "We both realize that the current way of funding is not the best—but we have more or less settled the discussions about numbers."

—MARY JANIGAN in Toronto


# Everything from A to Zenith with the most complete line of PCs in the business.




Choosing a PC has never been child's play But Zenith makes it easier to master the ABCs with the most complete line of lap-tops, portables and desk top PCs in the business Each is matched to a choice of Zenith monochrome or colour monitors depending on your application Very simply, Zenith opens up more opportunities to you than any other manufacturer

Nor is this merely a matter of selection Zenith offers a range of features which translate directly into benefits for you and your company, while eliminating a lot of the confusion and limitations that come with lesser hardware

You hear a lot about compatibility Zenith products are operationally compatible with their IBM PC counterparts, and beyond that, by design, they enjoy complete compatibility with each other through the entire Zenith line This allows you the flexibility to meet the most demanding workloads including the use of various types of local area networks

To Zenith, user friendly means how comfortable you feel with our products when you use them Zenith for example, enjoys a reputation for the easiest-to-use keyboard in the industry Our record of reliability and commitment to meet or exceed competitive product standards and features, are reflected in our promise that "The quality goes in before the name goes on"

Perhaps the most impressive fact of all is the list of corporate, government and academic institutions that will settle for nothing less than Zenith PCs

Above all, it's Zenith's competitive pricing that makes the most complete line in the business, one of the most popular

Now Don't you owe it to the success of your business to block out a little time for Zenith?

Please send me more information

Name and Title _____

_____ (or attach business card)

Company _____

Address _____

City and Province _____

Postal Code _____

Mail to Zenith Data Systems
1020 Islington Avenue
Toronto, Ontario M8Z 5X5

ZENITH | data systems

THE QUALITY GOES IN BEFORE THE NAME GOES ON

BOOKS

# Betrayal in the blood

A PERFECT SPY
*By John le Carré*
*(Penguin Books, 475 pages, $22.95)*

Betrayal and deception are the meat and drink of spies. In such earlier novels as *The Spy Who Came In From the Cold* and *Smiley's People*, English writer John le Carré explored the dark landscape of international espionage with a glacial detachment. But for all the evidence of inside knowledge that his books conveyed, le Carré kept himself out of his fiction. His most famous character—the intellectual, world-weary George Smiley—resembles an idealized father figure rather than a self-portrait. Le Carré's new novel, *A Perfect Spy*, marks a brave departure. While adhering to the form of a thriller, he has based a sombre, provocative work of art on the treacherous relationship between his father and him.

The book's troubled hero, Magnus Pym, is a thinly disguised version of the author. They are alike in age—early 50s—in personal history, in hobbies, even in appearance. But le Carré left the British secret service more than 20 years ago to become a professional writer; his alter ego, Pym, is a thwarted writer who has risen through the ranks to direct British intelligence in Vienna, a post which makes him responsible for gathering information from much of Eastern Europe. He has succeeded in his early ambition "to be a secret mover of life's events." Yet he has failed to escape the shadow of his unpredictable, unscrupulous father.

***His latest thriller is a sombre work of art that examines the treacherous relationship between him and his father***

At a dinner party in Vienna one evening, Pym receives a telephone call informing him of his father's death. He promptly flies to London, attends the funeral and disappears. Soon after, evidence comes to light suggesting that Pym has for decades been a double agent, working for Czech intelligence. Yet Pym has not defected to the East. In the days that follow, Western and Eastern agents alike mount a frantic search for him. In fact, the spy has fled both his masters for the first time, he feels free. And in a snug hotel retreat in southwestern England, Pym composes a long, rambling letter to his son Tom that explains and excuses his life.

Le Carré's technique is to interweave chapters set in the 1980s—the hunt to trace the spy and to untangle the truth about him—with Pym's own descriptions of the past. His father, Rick Pym, was a swindler and betrayer on a grand, flamboyant scale. Rick's dubious exploits led him into several prisons, sharpening his hunger for respectability. He even ran for election as a Liberal, stressing "Man's Moral right to Property, Free Trading and a fair Crack of the Whip for Women." The parallels between Rick Pym and le Carré's own father, Ronnie Cornwell, are remarkably close. Cornwell, like Rick, was a war profiteer, a womanizer, a failed politician and a fly-by-night tycoon who died owing massive debts.

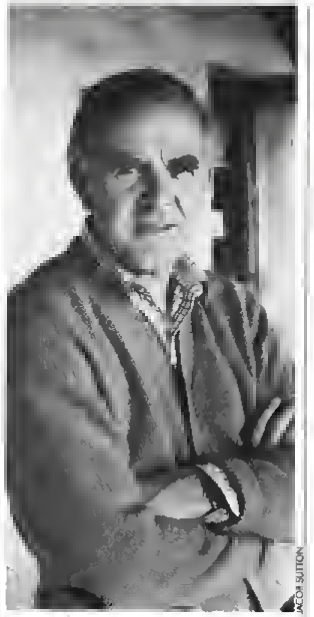
As le Carré eloquently reveals, the boy is already a kind of spy at the age of seven. Even then, he understands the ideas of enemy territory, divided loyalty and a shifting, uncertain truth. Growing toward manhood, Pym acquires a dangerous expertise in improving the truth—"rearranging the facts to fit his prevailing image of himself." While he can play at being anybody, at heart he is nobody. His father has made a hostage of the boy's identity. Pym is, as a result, prime material for the mature deceptions of the secret service—adept at concealment and cynical charm. Thanks to Rick, he is the perfect spy.

Revelations that le Carré made to *Maclean's* and *Newsweek* in 1983 may have freed him to open up his past in his fiction he admitted then, that he did indeed work for British intelligence as a young man. In *A Perfect Spy*, Pym, like his creator, attends university in Switzerland and England, serves with the British army in Austria—and conducts espionage in all three countries. Le Carré grants so much of his own experience to Pym that the book sometimes reads like a plea for forgiveness to a silent God.

Unlike Pym, however, le Carré refused to attend his father's funeral. *A Perfect Spy* is a peacemaking—the novel he has tried and failed to write for many years. Its mass of vivid detail, its suspense and its richness of character are all up to his highest standard. Still, *A Perfect Spy* suffers from some acute problems of form. Le Carré tries to keep Rick at the book's heart long after Rick has ceased to develop as a character. The intricate plot makes readers care far more about the present fate of Magnus the fugitive than about his teenage battle with Rick. Once Magnus's career diverges from that of John le Carré, the descriptions of the past lose much of their bitter intensity. And the novel's climax—which bears a striking resemblance to the climax of le Carré's last novel, *The Little Drummer Girl*—is regrettably predictable.

Despite such flaws, *A Perfect Spy* will disappoint few of le Carré's millions of admirers. His ears and eyes are so alert, his mind so acute that he stands in a different league from most spy novelists. It is fascinating to watch him turn that skeptical, probing intellect on himself. Le Carré is a bruised and restless spirit, and he may never be grateful to Ronnie Cornwell. Yet his readers must feel some gratitude, for the deceits and betrayals that John le Carré endured in childhood have helped to make him so fine a novelist.

—MARK ABLEY


JACQUI SUTTON

*La Carré 'secret mover of events'*


There's too much to take in on one visit as it is. Bay-side bistros. Cobblestone courtyards. RamblingEgypt. Naturally the people here are SuperHosts. For hotel bookings phone ResWest at (604) 662-3300 or parks. But from May 2nd to October 13th Expo 86 is happening. Visit 50 countries including the U.S.S.R., write for your travel guide, Tourism British Columbia, Dept. 0215, Parliament Buildings, Victoria, B.C., China and England all along the waters in Vancouver. Touch the future or time travel back to ancienCanada V8V 1X4. Don't miss it for the world.

Super, Natural British Columbia

*Hon. Claude Richmond Minister Tourism/Expo 86*

The wild black and white yonder or...

ERIC CRAME

*Klein with her granddaughter Diana: tyranny, protracted feuds and hostile glaring*

# Feminist on the couch

MELANIE KLEIN: HER WORLD AND HER WORK
*By Phyllis Grosskurth*
*(McClelland and Stewart, 544 pages, $35 00)*

She was a dominant presence among Sigmund Freud's followers, yet Melanie Klein remains little known in North America outside professional circles. The Viennese-born analyst, who died in 1960 at 78, was among a number of Europeans who immigrated to England in the 1920s and 1930s, transplanting Freud's theories to British soil. There, Klein's heretical ideas often drew the ire of her colleagues—but she also won many devotees for her pioneering work, particularly in the psychoanalysis of children. Currently, her champions include feminist interpreters of Freud. University of Toronto English professor Phyllis Grosskurth, author of an important 1980 biography of psychologist Havelock Ellis, has chronicled her determined, prolific, but unhappy life in *Melanie Klein: Her World and Her Work*—focusing on the analyst's bone-wearying struggles to protect her professional reputation in a movement wracked by infighting.

Indeed, Klein's protracted feuds with her rival Anna Freud—the master's daughter and ideological watchdog—have an epic, if somewhat sour, grandeur. Grosskurth enlivens her accounts of the deadly serious proceedings of the British Psycho-Analytical Society with often fascinating details about how, flanked by their grim supporters, Klein and Anna Freud glared at each other with open enmity across a tension-filled room. Unfortunately, that vivid picture of battling analysts is weighed down by the book's poor organization and excessive documentation.

Despite her undisputed if erratic genius, and Grosskurth's sporadic attempts to make her seem lovable, Klein emerges as a vain, stubborn tyrant. She eventually alienated most people around her—including her daughter, Melitta, a rival analyst who regularly hectored her mother at professional meetings. Grosskurth writes that on the day of Klein's funeral, Melitta was elsewhere in London delivering a lecture "wearing flamboyant red boots."

Grosskurth argues that Klein's dark vision of the aggression-filled relationship between an infant and its mother was rooted in the analyst's deeply troubled relationship with her own mother. But she devotes far too little space to explaining Klein's theories clearly. Worse, she fails to locate them in the context of current debates about Freud's cultural biases. Still, *Melanie Klein* provides a window into a lively era in the fractious history of psychoanalysis. That the subject herself emerges as a gloomy, sexually repressed despot does not detract from her crucial role in one of the century's most revolutionary intellectual movements.

—ANN FINLAYSON

# Worship at the marquee

PEOPLE WILL TALK
*By John Kobal*
*(Random House, 728 pages, $35 50)*

Adulation of movie stars ought to be a private affair. But in *People Will Talk*, a collection of 41 interviews with aged legends of the silver screen, former British Broadcasting Corp. reporter John Kobal has gone public with his lifelong infatuation. In interviews conducted during the past 22 years, Kobal clearly prefers stroking to investigating—no matter who his subject. When the acerbic Tallulah Bankhead notes at the end of an interview that he has not asked "too many embarrassing questions," Kobal takes it as a compliment. Astonishingly, he declares, "People I'd so loved on the screen were just the same in person, powerful, magnetic, with thousands at their feet."

Still, Kobal's knowledge of movies, cultivated at an early age, is impressive. At 15, the Ottawa-born author became a member of a film society. Soon after, he pretended to be a journalist in order to meet the renowned German actress Marlene Dietrich in Toronto. Despite Kobal's unwillingness to ask difficult questions of the subjects of his book, they offer him a fascinating portrait of Hollywood from silent movies until the late 1950s. Several actresses, including Ingrid Bergman, reveal that dictatorial studio heads ruthlessly moulded their careers and public image. Anna Sten—briefly heralded in the 1930s as another Greta Garbo but quickly forgotten—bitterly notes: "There is [sic] two sides of the fence in motion pictures. Either you're the hired help or you're the hirer." Actress Joan Blondell recalls working in a musical during her second pregnancy: "They had me in a little tutu or something and I was squashed to bits and I had to sing *Try To See it My Way, Baby*."

Other stars, including the troubled Marilyn Monroe, make their presence felt indirectly but powerfully. Director Henry Hathaway remembers Monroe on a Hollywood set, driven to tears by her screen image as a blonde bombshell. She told Hathaway: "All my life I've played Marilyn Monroe, Marilyn Monroe, Marilyn Monroe. I try to do a little better, but then I do an exaggeration of myself doing the same thing."

For the most part, *People Will Talk* lacks an iconoclastic edge. Such self-centred personalities as Joan Crawford ramble on uninterrupted, trying to reinflate their sagging egos. In a 1965 interview with Kobal, she declares: "I have tremendous sensitivity. And a *tremendous* shyness. Just tremendous." Typically, Kobal thanks her for "one of the most thrilling interviews I've ever had." Mae West, with her exaggerated sexuality, is at least honest.

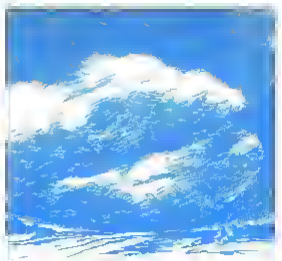
MOVIE STAR NEWS

*Bankhead: deities with thousands at their feet*

"Every time I look at myself," she says, "I become absorbed."

Kobal gazes at his subjects with equal absorption. What makes his sycophantic approach worse is his know-it-all attitude. When he discusses the work of obscure actresses he frequently omits the dates and plots of their films, making it impossible to get a proper perspective without a film encyclopedia. Kobal describes movie stars as among the first "cross-cultural, mass-oriented, publicly ordained heroes." But in fact, he treats them as if they were infallible deities, forever exalted on movie marquees.

—SHAFFIN SHARIFF

Canon's wild blue yonder.

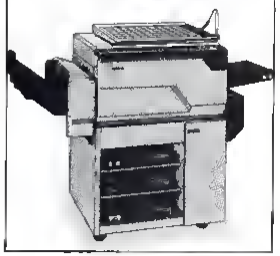
Sure there are times when a black and white copy will do. But to really get someone's attention, you need a Canon NP-3000 Series copier.

With one touch you can have outstanding 2-colour copies. Add blue, green, red, or brown to black. Use the Image Editor to combine information from two originals or eliminate sections of the original. A single touch also gives you 2-sided copies.

The NP-3000 Series also includes many automatic features so even simple direct copies will be blue-chip quality.

For more information call toll-free 1-800-387-1241 or write: Canon Canada Inc., 6390 Dixie Road, Mississauga, Ontario L5T 1P7

Canon
PLAIN PAPER COPIERS
NP
3000 SERIES



# Two faces of apartheid

WINNIE MANDELA
*By Nancy Harrison*
*(Firefly Books, 183 pages, $21.95)*

POPPIE NONGENA
*By Elsa Joubert*
*(Penguin Books, 359 pages, $21.95)*

It is often hard to give a human face to the newspaper accounts of South Africa's violent confrontations across the apartheid barrier. But two new biographies help in that task: *Winnie Mandela* by Nancy Harrison and *Poppie Nongena* by Elsa Joubert. Mandela, a trained medical social worker, has been a political activist since her 1958 marriage to Nelson Mandela, the leader of the outlawed African National Congress (ANC). By contrast, Poppie Nongena is the fictional name of a semiliterate char who has almost no social standing whatever. But together, the stories of the two radically different women illuminate the dark spectrum of what it means to be black in South Africa.

Nancy Harrison, a white South African [illegible] journalist, [illegible] Winnie Mandela in Brandfort, a remote township to which the government had exiled her in 1977. Although Mandela lived under curfew, her years in Brandfort sound almost pleasant compared to her earlier persecution. One of the book's more chilling episodes concerns a 1969 police raid: at 2 a.m. police took Mandela's daughters—Zinzi, 9, and Zeni, 10—from their beds. Leaving the girls with one of their aunts, the police took their mother away to prison. Charges against Mandela were dropped 17 months later and she was released. The book ends in November, 1985, with a pessimistic Mandela saying, "I am so afraid that the direction our country is taking will mean total destruction before there is a new dawn." But last month the government permitted her to return from exile to Johannesburg.

DANNEN BALM/STOMA

*Mandela: 'sad country'*

*Poppie Nongena*, a best-seller in South Africa, is an even more engaging book. Joubert wrote it from taped conversations with a local charwoman, and it retains the distinctive flavor of Poppie's own speech. She left her Xhosa tribe when she married a migrant worker and entered into his tragic world of violence and alcoholism. After the government ordered him to move 1,000 km from his home to Cape Town to seek work, she followed him with their growing family. There, she found work as a domestic and fought for almost 10 years to keep her family together by winning extensions of her permit to remain in the Cape area. Finally, the authorities forced her and her children to return home. Her husband remained behind to die of alcoholism.

In the foreword, Alan Paton, the celebrated South African author of *Cry, The Beloved Country*, writes, "This is the sad story of a sad country." That statement could apply to either book. But both, written by white South Africans about blacks, demonstrate that race is no barrier to an author conveying the struggle for freedom.

—COLLINE CAULDER


Eurailpass admits there may still be a less expensive way to see Europe.

Eurailpass gives you lots of ways to save money on European travel. With our Eurail Saverpass, for example, you get unlimited first-class rail travel in any or all of 16 European countries, for only $279 per person.* That's less than $19 per day.

Of course, there is a way to travel around Europe that costs even less. If you like to pedal.

$279

*Applies to 15 day pass when three or more travel together. Other inexpensive rates are available for one or two people.

EURAILPASS

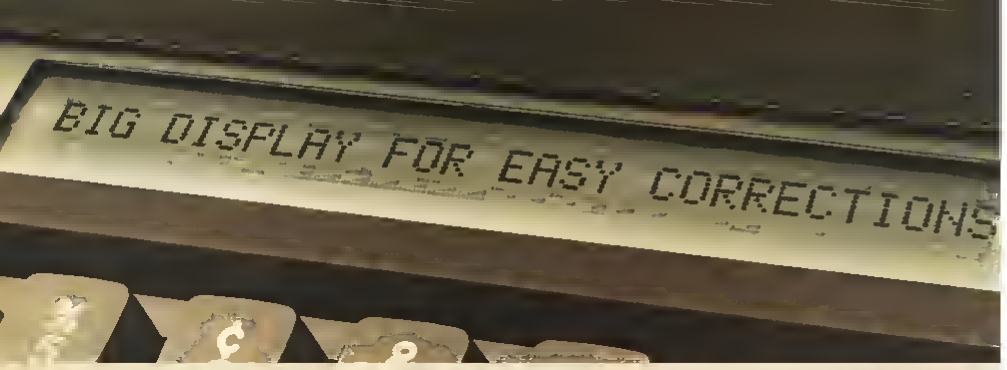
Please rush me a *free* Eurailpass color brochure.

Name _____

Address _____

City _____ Province _____ Postal Code _____

Mail today to: Eurailpass Distribution Centre, C.P. 300 Succursale R, Montreal H2S3K9 MA050588




## Canon's new AP 300 makes corrections so easily, buying anything else would be a mistake.

The new Canon AP 300 electronic typewriter has been completely redesigned to be faster, more efficient and more productive than ever before.

For starters, it has a 1K correction memory and 32-character display to help eliminate errors. Plus enough memory to store frequently used names, addresses or phrases. Bi-directional printing from memory for faster printouts. And a host of time-saving automatic features like centering, bold print, indent, underlining, decimal tab and line framing for charts.

And that's not all that's new from Canon. The new AP 200, we think, is the best heavy-duty electronic you can buy in its price range. Or if your office demands a bit more of a typewriter, consider the new AP 350 with a memory expandable to 24K that lets you store and revise more than 12 pages of text.

The new AP 300, 200 and 350. Three new reasons why Canon will remain a touch more advanced.

For more information, call 416-678-2730. Or write to Canon Canada Inc., Electronic Typewriter Division, 6390 Dixie Rd., Mississauga, Ontario L5T 1P7.

**Canon**
A TOUCH MORE ADVANCED


HEALTH

# Dental care without pain

The fear of submitting to drills and anesthetic needles keeps millions of Canadians from seeking proper care for their teeth. In a 1985 survey commissioned by the 9,000-member Canadian Dental Association, nine per cent of Canadians said they never made dental appointments. Another 29 per per cent said that they went to a dentist only in an emergency. But for the majority of people who do visit a dentist, a new array of procedures could reduce the misery, if not entirely banish the drill. In Toronto scientists are developing a varnish that kills decay-causing bacteria; in Boston the breakthrough consists of a new chemical technique to remove tooth decay; and in Maryland specialists are searching for a vaccine which would provide immunity against cavities.

Cavity filling remains one of the most common dental operations. Decay occurs when bacteria in the mouth break down sugar from food for their own energy use, producing acids that dissolve calcium phosphate in teeth. To repair the damage, dentists normally use a drill to remove caries—the decayed portion of the tooth—before filling the cavity.

But two Boston specialists have developed another method to combat decay: an amino acid treatment that removes the decay while leaving healthy calcium intact. Orthodontist Joseph Kronman and root canal specialist Melvin Goldman have patented a liquid that fragments tooth decay and allows dentists to flush out the caries—in most cases, without resorting to drilling. The two men discovered the properties of a particular amino acid in 1971 but had to wait until 1984 before the U.S. Food and Drug Administration approved its use.

National Patent Dental Products Inc., based in New Jersey, started marketing the substance under the trade name Caridex last June, and since then 1,500 U.S. dentists have begun using it regularly. In Canada, Caridex distributors expect that federal Health and Welfare officials will authorize the use of Caridex this month. Said Kronman: "Caridex is safer than drilling because you can't accidentally expose a nerve or mix chips of tooth into the pulp. There is no noise and often no need for anesthetic, which makes the

## A taste so good, you will expect a cork.

In fact, the taste of L'Epayrié will exceed all your expectations. Many fine restaurants have named it their house wine, because the taste of L'Epayrié is perfect for most occasions.

*Armand Roux*
QUALITY FRENCH WINES SINCE 1842.

process less emotionally stressing"

But some Canadian dentists who attended recent Caridex seminars in Toronto, Vancouver and Calgary have reservations about the substance. They note that dentists must still drill an excavated tooth in order to attach the filling and in other cases need the drill to clean out decay which has formed beneath overhanging enamel. Said Ottawa dentist John Miner: "Caridex works well on front teeth, but it is difficult to use on posterior teeth." For his part, Caridex representative William Hook insists that, based on U.S. trends, 10 per cent of the dentists in Canada—1,600 practitioners—will be using the product within a year. And he argues that when used efficiently, Caridex will cost dentists $2 per filling and take roughly the same amount of time as conventional drilling.

At the National Institute of Dental Research in Bethesda, Md., scientists are developing a vaccine that will stimulate the production of antibodies and send them through the blood to kill off the caries-producing bacteria. And at the University of Toronto, Dr. James Sandham, a microbiology professor at the faculty of dentistry, is working on a tooth varnish that kills destructive bacteria in the mouth. Sandham has spent the past five years developing a varnish that destroys Streptococcus mutans, the bacteria which he estimates is responsible for 90 per cent of tooth decay. To fight this enemy of strong teeth, Sandham uses a mixture that contains Sumatra benzoin, a tree resin in which has been used in Asia for hundreds of years to salve wounds. Sandham has conducted clinical studies on himself and 19 volunteers within the past two years. And at an international research conference in Las Vegas last year he reported that weekly coatings of varnish can eliminate destructive bacteria in only 14 days.

But Sandham estimates that at least four more years of research are needed before the varnish becomes available for general use. And because the bacteria can be transmitted in saliva, a patient with newly varnished teeth can become reinfected simply by kissing someone who has not received the treatment. Still, he remains convinced that researchers are winning the battle. Said Sandham: "I am treating dental decay as an infectious disease. If we eliminate Strep mutans in a whole generation of people, the organism will no longer exist."

—NOMI MORRIS in Toronto

NEIL LIO BAZA

*Sandham: a varnish to fight bacteria*

ENVIRONMENT

# The yellow rain mystery

Scientists had hoped the study would provide conclusive evidence on whether Vietnamese and Laotian forces had used chemical weapons against civilians in Southeast Asia. But when the department of national defence (DND) released its final report on April 7 in Ottawa reviewing the alleged spraying of deadly mycotoxins over the Thai village of Ban Sa Tong in 1982, the answer was inconclusive. Produced by the Defence Research Establishment, a DND wing, the report found minute traces of trichothecene mycotoxins—a biological warfare agent derived from fungi—in samples collected from leaves and houses eight days after the attack. But it also said the amounts were so small that "it is difficult to say if there is any chemical warfare significance."

Western investigators have been examining charges of chemical warfare in Southeast Asia since the late 1970s. They were responding to claims by Hmong tribesmen in Laos that several deaths and illnesses had been caused by a mysterious "yellow rain" spread by Moscow-backed Vietnamese and Laotian forces eager to drive them from their mountain villages. Based on interviews and medical examinations of Hmong refugees in the early 1980s, Canadian scientists compiled three reports suggesting that chemical weapons had been used. But a study by Harvard biochemist Matthew Meselson contended that the yellow rain samples were merely bee feces.

***According to Canadian researchers, 1982 claims of airborne chemical war over Southeast Asia could not be verified***

After hearing about the Ban Sa Tong incident from Thai officials, three Canadian representatives drove to the village on the Thai-Kampuchea border a week after an unmarked single-engine plane was reported to have dropped a yellow powder over the village on Feb. 19, 1982. The village is a few kilometres from a battleground where Vietnamese forces occupying neighboring Kampuchea were fighting the Khmer Rouge guerrillas. Canadian officials later found that villagers in the area had suffered from nausea, itching skin and blurred vision.

But the report by military scientists James Norman and J. Garfield Purdon said there was no trace of mycotoxins in the tissue, blood and urine samples taken from the villagers. The report also considered another piece of evidence—a plastic bag given to Canadian officials by a Ban Sa Tong shopkeeper, who said it had been dropped from a plane. Although Canadian researchers found measurable quantities of chemicals in the bag, they would not confirm its authenticity because it was not collected by Ottawa's team.

But finding conclusive evidence of chemical attacks may be impossible. Researchers admit that delays in processing the Thai samples may have diluted evidence of mycotoxins. Said External Affairs official Marius Grinius, who interviewed refugees in Thailand: "The Americans can argue that the evidence suggests a smoking gun, but we have not yet found the bullet."

—BRUCE WALLACE in Ottawa

Saskatchewan

*We'd love to have you!*

Come set foot beneath the biggest, bluest sky you've ever seen. Experience a glorious prairie sunset. Ride a sternwheeler, steam locomotive or a covered wagon train.

You'll have a great time!

We've got the world famous RCMP museum, wild west attractions plus the historic sites of the exciting North West Rebellion.

This summer discover Saskatchewan. We'd love to have you!

Call toll-free: 1-800-667-7191

or write:
Tourism Saskatchewan
Dept. M, 2103 - 11th Avenue
Regina, Sask. S4P 3V7

I'd like to know more about a Saskatchewan vacation.

Name _____
Address _____
City/Town _____
Prov./State _____ Postal/Zip Code _____

Tourism Saskatchewan
2nd Floor, 2103 11th Avenue
Regina, Saskatchewan, Canada S4P 3V7

Saskatchewan Tourism and Small Business

Hon. Paul Schoenhals
Minister

Shine on Saskatchewan

# The word is a the street.

Jean-Claude Duval, Customer Service, Ætna Canada.

# Life is what you make it.

"Work ... life in general can really take it out of you at times. We all have our own ways of unwinding. I swim three times a week. I go to a local pool and do about twenty lengths. It takes fifteen or twenty minutes. Pretty good, considering when I started three months ago I was out of breath after half a length.

Sometimes my daughter, France, joins me. She's good company... besides, she keeps me going. I've already pulled my belt in three notches since I started. I feel good. That's important. I tell my daughter, if you feel good about yourself, you feel good about other things too, like work. I've just started a new position at Ætna Canada. Fact is, it's a new department with a new staff. What's happened is that we've brought our Life and Casualty divisions together to provide our customers with all their personal insurance needs — life and health, auto, homeowners and boat insurance. And what's more, we've updated our computer systems so our customers can pay for all these coverages with one convenient monthly payment from their bank account.

I've had about nineteen years of experience in property and casualty insurance at Ætna. I'm responsible for a staff whose job is, how can I put it... to provide the human side of insurance. We want to be easy to do business with. If a customer has a question about a policy or whatever, they can call us and get a quick answer. That means lending a sympathetic ear to clients.

The way I see it, our clients are real people. People who turn to us for the kind of security and protection they need."

Ætna CANADA

More than just an insurance company




## Ending a partnership

KAREN WILLIAMS

*Finkelstein, parting*

It was the end of a 15-year-old professional relationship which earned eight Juno awards and four gold albums. Last week manager Bernie Finkelstein, founder of True North Records, announced that he was dissolving his partnership with singer-songwriter Murray McLauchlan. Citing personal reasons for the decision, Finkelstein, 41, also terminated contracts with all but one of his four other True North recording artists in order to devote himself to representing the label's single most successful talent, Bruce Cockburn. Those dropped from the True North roster include Tony Kosinec, Doug Cameron and Johnny MacLeod, all Toronto-based musicians. Said Finkelstein: "True North will cease to be a source of new talent. It is sad to be leaving those artists, particularly Murray. But we concluded that he might be better served by someone with different energies and interests." McLauchlan was unavailable for comment.

## A design in jeopardy

In opposition, France's right-wing parties frequently criticized Socialist President François Mitterrand's plans for a new Paris opera house at the Bastille. But when right-wing parties gained control of the National Assembly in a general election on March 16, it was too late for them to stop the project. Work on the project, designed by Canadian architect Carlos Ott, was well advanced, with $280 million of the opera's anticipated $460-million construction bill already spent. Still, the new French culture minister, François Léotard, under strong pressure from the finance ministry, has launched an inquiry into cost-cutting on the opera, scheduled to open in 1989. That investigation could undermine a design that Léotard himself described as "technically brilliant." French cultura ministry aide Gérard Laverne insisted that the opera is "under no threat." But the official did acknowledge that the government may "alter some of the details to make it a more modest affair." That raised major concerns among defenders of the project, who said that even the slightest change will ruin the Canadian architect's masterpiece. Meanwhile, Ott was reluctant to comment until the government makes a final decision. Added Ott, who is closely supervising the construction: "My team is carrying on as if nothing has happened."

## Freedom for a rebel

One of Africa's best-known protest singers emerged from prison in Lagos, Nigeria, last week. Pop star vocalist and saxophonist Fela Anikulapo Kuti, 48, had been serving a five-year sentence since November, 1984, for smuggling in foreign currency. But Nigeria's military government ruled that the judge who had sentenced Kuti, a constant critic of government corruption, had acted improperly. Kuti is familiar with government harassment. In 1977 the Nigerian military raided the activist's estate allegedly searching for drugs, then raped 15 of Kuti's female followers and assaulted members of his band. Kuti's mother, Fumilayo, died from injuries suffered in the attack. At the same time, Kuti's music, a unique marriage of jazz with African rhythms called Afrobeat, was gaining popularity in Europe and North America. Then, in 1978 he gained wide international attention when he married all 27 of his group's go-go dancers. After his arrest 18 months ago there were worldwide calls for the outspoken social critic's release, and Amnesty International declared him to be a "prisoner of conscience." With his new freedom, said Kuti's manager, Pascal Imbert, "It is a huge victory for justice in Africa."

## An American offer

It recently became public knowledge that Telefilm Canada allowed the Toronto-based company Spectrafilm to sell North American video cassette distribution rights for its film *My American Cousin* to a U.S. video distributor. Telefilm, the federal film support agency, funded the award-winning Canadian movie, and as a result some video distributors in Canada objected strongly. They declared that the $900,000 sale contravened Telefilm policy that the television productions and films which it funds must be distributed to all media by Canadian-owned companies. But Spectrafilm, *Cousin*'s distributor, had made an agreement with an American company, Media Home Entertainment, for distribution that predated the announcement of Telefilm's policy. And Spectrafilm president Linda Beath defended her company's U.S. sale, saying that even after *Cousin* shared the international critics' award at Toronto's Festival of Festivals last September, only one Canadian company made a tentative offer of less than $100,000 for video rights. Meanwhile, although Telefilm executive director Peter Pearson denied that he was embarrassed by the sale, the agency is now specifying that future productions receiving Telefilm financing must deal only with Canadian distributors.

## Salt on old wounds

*Paris: collaboration*

Last year a book by Canadian journalist Erna Paris threatened to deepen controversies raging in France over its efforts to bring former Gestapo chief Klaus Barbie to trial. But a legal dispute over what specific charge should be laid led French officials to postpone the trial. And Paris's *Unhealed Wounds: France and the Klaus Barbie Affair*, her study of French racism, wartime collaboration and resistance faded from headlines. Now the book—which was released in the United States last month—will likely win a second life in French bookstores. It is expected that Barbie will be tried for crimes against humanity before the end of 1986. As well, Marcel Ophuls, director of the acclaimed study of French-Nazi collaboration *The Sorrow and the Pity*, is filming a documentary on Barbie which will likely be released this fall. Ophuls said that he admires Paris's book, describing it as "quite brilliant, a very good description of the psychology of this country."

# An impresario in the world of letters

Greg Gatenby has found a unique way of putting Toronto on the international literary map. During the past eight years he has brought scores of the world's best authors to his native city, attracting such luminaries as Italian writer Umberto Eco and South African novelist Nadine Gordimer. And in 1980 he created the International Festival of Authors to showcase both foreign and leading Canadian writers. Next week the restless Gatenby, 35, is moving into new territory: in conjunction with the League of Canadian Poets, he is mounting Canada's first World Poetry Festival, which will include Canada's Michael Ondaatje and South Africa's Breyten Breytenbach. And he says that next year he hopes to present a similar event for playwrights. Declared U.S. poet Lawrence Ferlinghetti, who read at the International Festival in 1983: "He has enormous drive. To pull off festivals like that year after year is an extraordinary accomplishment."

Gatenby has repeatedly demonstrated a sharp talent for picking out artists who are on the verge of world renown. He invited the little-known Polish writer Czeslaw Milosz to Toronto in 1980—six months before Milosz won the Nobel Prize for literature. Gatenby's ability to attract the best literary figures has often elicited displays of enthusiasm unusual among book lovers. During last fall's International Festival, scalpers were selling $100 tickets to see Nobel Prize-winning English writer William Golding, author of *Lord of the Flies*. But so far no writer has been greeted with as much ardor as U.S. novelist John Irving. In 1978, after he read for two hours from his work-in-progress, *The Hotel New Hampshire*, someone tossed him a pair of red panties emblazoned with a telephone number in lipstick. Recalled Gatenby: "You could cut the lust in that room with a knife."

A poet and a former editor for the publishing house McClelland and Stewart, Gatenby began to co-ordinate weekly authors' readings 12 years ago at Harbourfront, the lakeside cultural complex that sponsors his literary events. Heavy-set and nervously energetic, he says that he is determined to "elevate literary standards" in Canada, which he describes as "philistine" and "parochial." Gatenby runs his highbrow crusade with a staff of only two assistants and a relatively small budget. Last year's International Festival cost $120,000, of which 80 per cent came from the private sector, the rest from government agencies and box office receipts. Gatenby himself says that he earns a modest salary (which he declines to disclose).

JACK MAY / MCCLELLAND & STEWART

*Gatenby: poets, ardor and red panties*

Instead of cash, he relies on the drawing power of his festival's reputation—as well as on an intimate familiarity with authors' works. Gatenby devotes much of his 80-hour workweek to plowing through books. Indeed, his three-bedroom apartment is lined with 5,000 volumes. Margaret Atwood, one of the 60 Canadian authors who have read at the festival, said, "He has an absolutely encyclopedic knowledge of writers and keeps up on what is current." In his rare free moments, Gatenby pursues his own writing. He is currently at work on a book of poetry, a literary history of Toronto and a study of the city's early architecture. He has already produced four collections of verse and has edited a poetry anthology and two books about whales.

Because he is a writer himself, Gatenby says, he is sensitive to visiting authors' needs. Indeed, Ferlinghetti recalled that Gatenby and his staff "really make writers feel at home." When Russian poet Yevgeny Yevtushenko read at the festival in 1984, one of Gatenby's assistants joined the writer on a successful hunt for pool cue tips, which the poet wanted to buy for his chauffeur in the USSR. But most of Gatenby's energy goes into the dogged pursuit of other writers. In 1980 he even made unsuccessful overtures to Pope John Paul II, asking him to read his poetry at the festival during his 1984 visit to Canada. He spends up to four months every year travelling, often at his own expense, to literary gatherings all over the world.

Sometimes Gatenby attracts his speakers simply through the eloquence of his written invitations. Golding, 74, agreed to a Harbourfront appearance after his wife, Ann, read Gatenby's letter describing Canada's dazzling fall colors. But in a letter written after his appearance, Golding never mentioned leaves. Instead, he wrote that he was "awed" by what Gatenby had accomplished—a treasured tribute for the bibliophile from the "philistine" town.

—PATRICIA HLUCHY in Toronto

## MACLEAN'S BEST-SELLER LIST

### Fiction

1 **The Bourne Supremacy**, *Ludlum (1)*
2 **Lie Down with Lions**, *Follett (2)*
3 **The Mammoth Hunters**, *Auel (3)*
4 **A Perfect Spy**, *le Carré (7)*
5 **Cyclops**, *Cussler (4)*
6 **I'll Take Manhattan**, *Krantz*
7 **The Handmaid's Tale**, *Atwood (5)*
8 **What's Bred in the Bone**, *Davies (6)*
9 **Power of the Sword**, *Smith*
10 **Gray Eagles**, *Unkefer (8)*

### Nonfiction

1 **Fit for Life**, *Diamond and Diamond (1)*
2 **100 Best Companies to Work for in Canada**, *Innes, Perry & Lyon (2)*
3 **Up the Hill**, *Johnston (4)*
4 **Callaghans**, *Pinckney with Batson (5)*
5 **Bus 9 to Paradise**, *Buscaglia (3)*
6 **Straight from the Heart**, *Chrétien (6)*
7 **Iacocca**, *Iacocca with Novak (7)*
8 **Going for It!**, *Kiam (8)*
9 **One-Eyed Kings**, *Graham*
10 **Company of Adventurers**, *Newman (9)*

*( ) Position last week*




Wardair only flies wide-bodies, so tall bodies, short bodies, large bodies, and small bodies will all be more comfortable.

Everybody knows our nose for value, but not everybody knows that all our Wardair planes are wide bodied.

Love at first flight.

That means when you fly Wardair's new regular scheduled service across Canada starting May 1st, you can enjoy all the extra comfort a wide bodied aircraft offers.

And as if that's not enough, Wardair gives you the option of an extra wide seat for only $75 if you're flying one way to Vancouver or $50 if you're flying one way to Edmonton or Calgary. Our wide seat is also available on our daily flights from Toronto to Gatwick for just $50 one way. What's more, all our wide seats are reserved exclusively for the comfort of our non-smoking passengers.

Our regular scheduled service offers all the privileges of any other scheduled service such as one way fares, open returns, no minimum stay requirements and booking up to and including day of departure.

From May 1st through June 16th, we're offering your body a little incentive to fly our wide bodies. Between these dates, our very special introductory fare will allow you to fly from Toronto to Vancouver one way for just $199, or $169 one way to Edmonton or Calgary.

Hot towels are part of our warm service.

We depart Toronto for Vancouver every morning at 9 a.m., and we offer six additional evening flights during the week. All are non-stop.

While in flight you'll be treated to our incomparable Wardair Class Service, providing everybody aboard superb cuisine served on Royal Doulton china, accompanied by a fine selection of wines with dinner, and reasonably priced spirits and liqueurs.

Wardair Class Service to make you purr.

Talk to your travel agent or call Wardair at 620-9800. Outside the (416) Metropolitan area call 1-800-387-0500 toll free and in areas (519), (613) or (705) call 1-800-387-0520 toll free.

We look forward to welcoming you aboard our all wide bodied fleet.

Whether you're a tall body, a short body, a large body or a small body, nobody will take better care of you.

WARDAIR

The way we get you there, got us here.

COLUMN

# Exporting laughs to Philly

By Allan Fotheringham

You've got to get the scene. Here is the Walnut Street Theatre in Philadelphia, the oldest continuously operating theatre in North America, staging the opening night of a play set in Newfoundland. The only two actors, who go at it nonstop without a break for one hour and 40 minutes, are in the semi-incomprehensible Newfie dialect that gives the impression to the puzzled theatregoers that they are listening to a play in Korean, or Portuguese or perhaps Hungarian. A Canadian in the audience, who understands a faint bit, cringes in the first 20 minutes and wonders when the walkouts will start.

The play is *Salt-Water Moon* by Newfoundland playwright David French, who has long since established his reputation in Toronto theatre. It is set on "an August night in 1926" on the front porch and yard of a house in Coley's Point, Nfld. Philadelphia is the City of Brotherly Love, but how much tolerance can you expect? There are five critics here on opening night from the Philadelphia papers and magazines and they seem at first, well, puzzled.

BOB PATTERSON

Something interesting starts to happen. Even to a Canadian ear—and one can detect to the American ears—the dialect becomes more understandable with time as Mary Snow and Jacob Mercer fight their childish, coquettish teenage mutual attractions. Neither playwright French nor the two actors will compromise a bit, playing down to the audience. Instead, the audience is made to stretch and becomes more acutely aware of nuance and accent. They sit and never stir. No one looks for the door.

Mary Snow, who looks like a young Elizabeth Taylor, is going to marry the balding son of a Newfie toff who once sent the fathers of the likes of Jacob off to die in Double-U Double-U One, Woodrow Wilson's "war to end all wars." The Newfies, "chins down on their chests," walked unflinchingly to their deaths. Jacob, who is a lovable braggart with the gift of the gab—in other words, a typical Newf—has seduced Mary Snow on a starcrossed evening past. It is playful and irrealistihly charming, even down to the oldest Newfoundland joke of all: the housewife, who on being asked if she had ever been bedridden, confessed that she had "and once in a dory." The Philly audience, which didn't really get what a dory was, got the housewife. They loved it.

Mary Snow is so poor she has never seen a movie. Jacob Mercer, who has a suitcase kept together with a cord (did suitcases really have zippers in 1926? *Were* there zippers in 1926?) has actually been to Toronto and has seen Tom Mix movies. Was there ever so dazzling a lover as Jacob Mercer, under a Newfie moon on the front porch, mesmerizing Mary Snow with a description of how Tom Mix, on his big black horse, Tony, used to abscond with the bride at the altar?

David French, who is 47, was born in Coley's Point, a long way from Philadelphia, but obviously spent some informative time under a moon on a porch. He dazzles the Philly crowd, since the only things under the moon, or sun, are love, crime, money and fame, and the story never changes from a Newf outport to the city where the Declaration of Independence, in a country that is the world's oldest democracy, was signed.

A struggler in the audience marvels at how this early-hostile crowd from an American city that couldn't find Canada—let alone Newfoundland—on the map, warms to this simple and complex tale. One puts it down to the skills of the Newfie boy and girl onstage—coming from the rocky island that surpasses in oratorical skills.

As it turns out, they are not Newfs at all. "Jacob Mercer" is Christopher Cull, a brilliant 26-year-old actor from West Virginia who has the added advantage that his father happens to be a journalist. "Mary Snow" is Terri Hawkes from Calgary, a sensuous 27-year-old who has won an ACTRA nomination for one of her 50 CBC radio dramas.

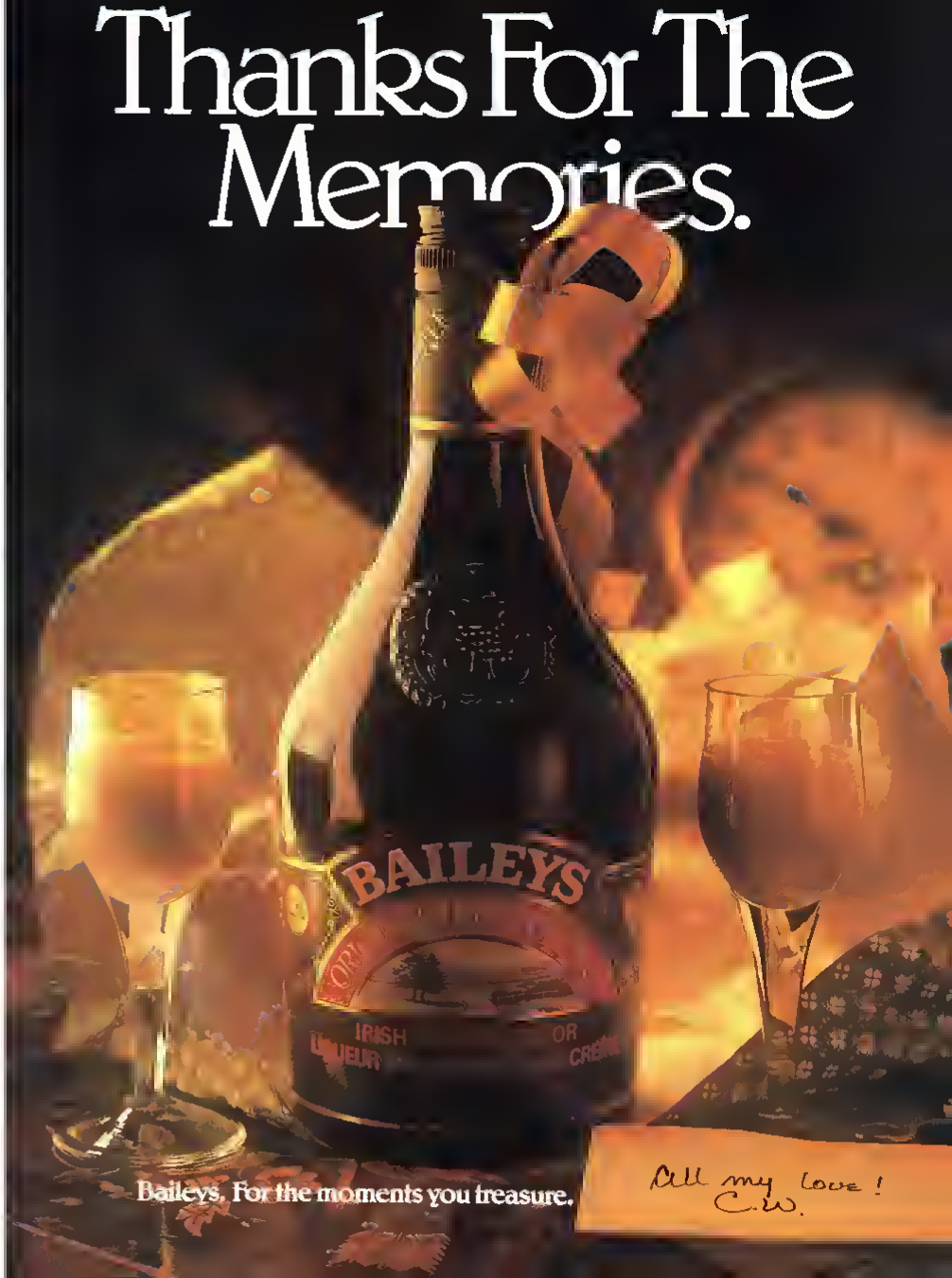
There is an inadvertent political connection here, which might prove one of the sidelight reasons why it is good to throw out occasionally the Natural Governing Party, the Liberals, and throw in the other rascals, the Tories. Pierrette Lucas was once an unsuccessful Conservative candidate in the Montreal suburb of Verdun, subsequently becoming a Joe Clark press officer and an aide in his office. She is now a Mulroney appointment as a vivacious and effective Canadian consul-general in Philadelphia.

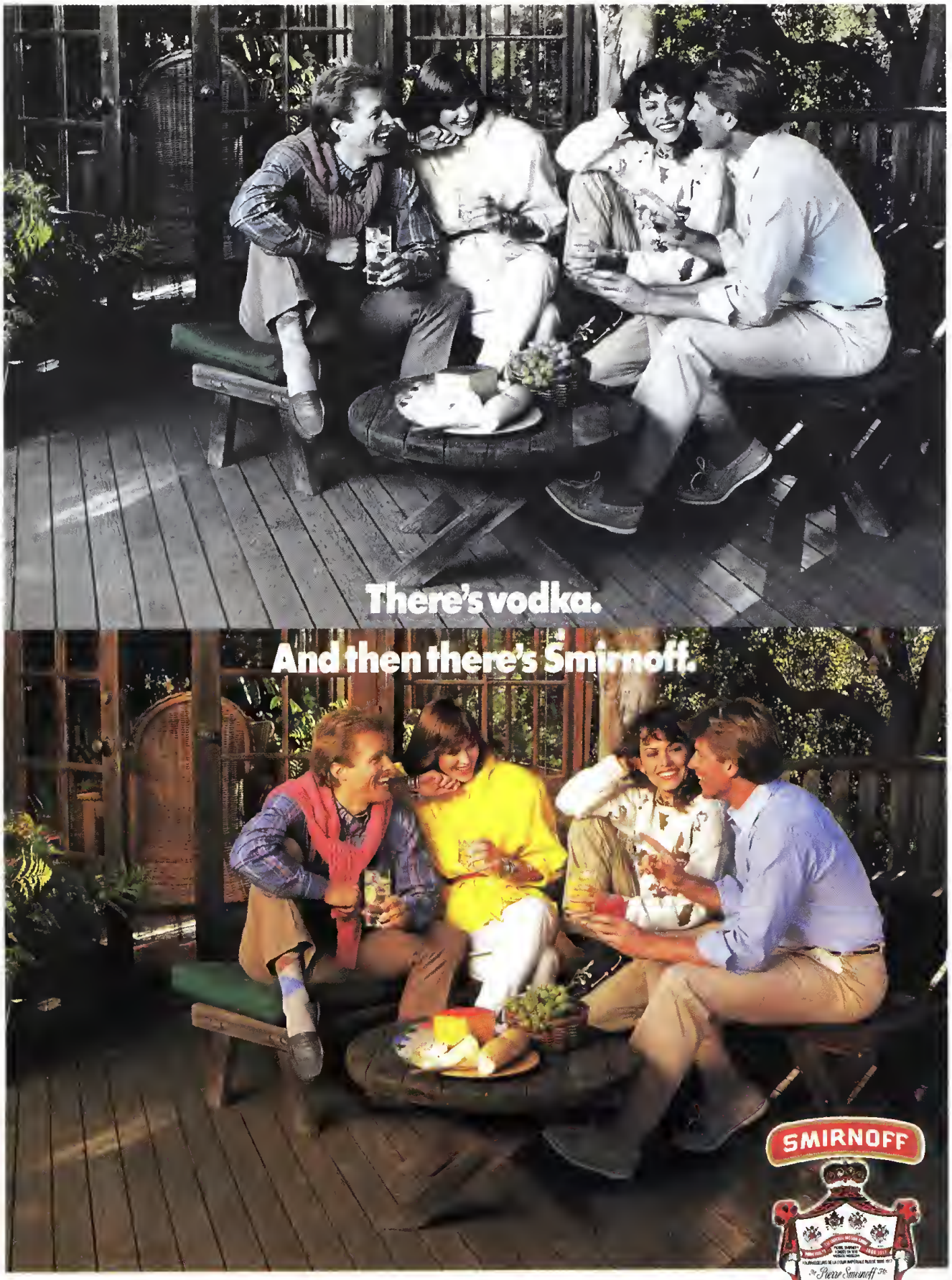
So it's hard to learn the language Newf? How do two talented actors from away—Calagery and West Virginia—absorb the John Crosbie bilt? The Canadian Connection comes in. Margaret Kearney of the Newfoundland department of tourism is asked if she'd like to drop in for a few days. They can listen to her voice, of course, but Christopher Cull has something more interesting to say. He has, he confesses, a good ear for dialect but just spending three days with her, listening to Newfie jokes and getting the sense of humor of The Rock was the most valuable lesson of all.

Terri Hawkes, as it turns out, happens to be the daughter of Calgary Tory MP Jim Hawkes. And so, at an opening night party for the cast that eagerly awaits the reviews of the Philly press, what is there waiting but a cheering telegram from the external affairs minister of the Great White North, one Joe Clark? Philadelphia is not that far away from Corner Brook after all.

*Allan Fotheringham is a columnist for Southam News.*






*Friends are worth it.*